

Opinion polls and falling output figures deliver double blow to Tory strategists

Labour takes a five-point lead

By Robin Oakley and Nicholas Wood

LABOUR has moved into a five-point lead over the Conservatives, according to the two latest opinion polls published last night against the background of renewed economic gloom.

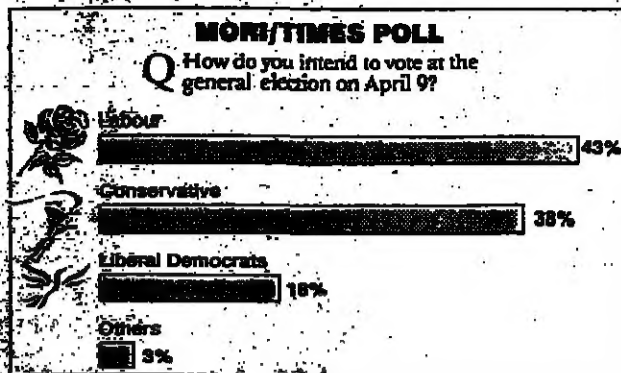
A Mori survey for *The Times*, conducted on Monday, gives Labour 43 per cent support, Conservatives 38 per cent, Liberal Democrats 16 per cent and others 3 per cent. The figures increase Labour's lead by two points when compared with last week's Mori survey for *The Times*. Support for the Conservatives has remained the same, with backing for "others" dwindling.

If the findings were repeated on a uniform swing in the general election, they would give Labour an overall majority of 332 seats and the Conservatives would win 284

seats. However, the result would be unlikely to see Labour through a full parliament.

An ICM poll to be published in *The Guardian* today, measured support for the three main parties at exactly the same level as the Mori findings. The ICM poll was also conducted on Monday.

The Mori and ICM results are the kind of shock which Conservative strategists have been dreading. City responses to last week's rumouring that an opinion poll had given Labour a similar lead suggest that there will be a strong adverse reaction when markets open today. That could start a vicious circle for the Tories: pressure on the pound would lead the Chancellor to raise interest rates before the election and could threaten an increase which would dam-



age Conservative support even more.

Labour's 43 per cent rating is the highest level of support the party has enjoyed since early January, before the Conservatives launched an assault on the Opposition's tax policies. The 5 per cent poll lead is also the biggest since then.

The Mori findings emerged as the Tory campaign

was shaken by new gloomy manufacturing output figures showing a bigger than expected fall in January. The Central Statistical Office figures fuelled City fears that the recession, which is already the longest for 60 years, could continue for at least the present quarter.

Manufacturing industry, which fell 0.4 per cent in December, suffered a further

0.7 per cent drop in output in January. Overall industrial production fell 1.3 per cent, reflecting a big drop in energy output, which last year tended to flatter the output picture.

The three-month comparison, preferred by the Treasury, was almost as gloomy. This showed an 0.7 per cent fall in industrial output in the latest three months and

a decline of 0.6 per cent on the same period a year ago. The three-month comparison also showed a 0.9 per cent drop in manufacturing output over the past three months and 3.3 per cent reduction on the same period a year ago.

John Major sought to steady Tory nerves by arguing that the January production snapshot was already out of date and that the country was ready for recovery once the general election was over. He emphasised that other figures, particularly inflation, were encouraging. "The output figures necessarily are historical and they are mirrored in most of the other industrial countries of the world," the prime minister said during a campaign trip in Lincolnshire. "We are now getting ourselves into a position where we can lift out of recession and that is what everyone wants to see."

Neil Kinnock, the Labour leader, said the figures were "appalling". Speaking during a visit to Bristol, he said: "They are much worse than City analysts expected and worse than we expected. They demonstrate the longest recession since the 1930s is also now turning into one of the deepest since the 1930s."

Paddy Ashdown, the Liberal Democrat leader, said: "I think this country now faces the very dangerous prospect of sliding from recession into slump."

The Mori figures indicate that there could be sharp fluctuations in party support in a closely contested election. A Harris poll for yesterday's *Daily Express* gave the Conservatives a three-point lead, squalling their best this year. The margin of error in these polls is 3 per cent in any party's share of the vote.

Ministers argued when Con-

TODAY IN THE TIMES

TRUE BLUE SEES RED



Marilyn Brown is ready to fight her own party for her jailed son *Life & Times* page 5

SHADES OF GREY



Philip Howard attacks our cold, bossy, patronising treatment of the aged *Page 14*

OLD RUSSIA RESCUE ACT



The Duchess of Abercorn has a mission to help St Petersburg *Life & Times* page 4

£3bn merger to make Midland biggest bank

By Neil Bennett, Banking Correspondent

MIDLAND Bank is planning a £3 billion merger with the Hongkong & Shanghai Banking Corporation in a move which will create the largest bank in Britain and one of the world's most powerful financial institutions.

The two banks surprised the City yesterday by announcing that they had resumed merger talks more than a year after they were called off. Midland's shares soared by 76p to 329p. The Hongkong bank is now preparing a bid for Midland, expected to value it at 350p-400p a share. The Midland's

four million customers are unlikely to be affected by the move because the Hongkong bank has no plans to alter its branch network, and there are no plans for large-scale redundancies. Midland's customers can already use their cash machine cards in Hongkong bank's branches in Asia, the Middle East and America.

The merger would relieve Midland, once the largest bank in the world, from more than a decade of problems. These stemmed from its acquisition of Crocker National Bank in California in 1980. The bank reported heavy losses in 1987 and 1989 on its lending to the Third World, and was forced to cut its dividend in half last year when profits sank to only £11 million.

The deal needs to be approved by the Bank of England and may face a Monopolies and Mergers Commission enquiry or an investigation by the European Commission. In 1981, the commission blocked a bid by the Hongkong bank for the Royal Bank of Scotland since it opposed the foreign ownership of a key British bank.

Since then, however, the Hongkong bank has moved its registered base to Britain and will shift its headquarters to London if the deal goes through.

The combined group will have the widest spread of international operations of any bank worldwide, and control assets worth £145 billion. Barclays, Britain's largest bank, currently has assets of £138 billion, although both are dwarfed by Dai-ichi Kangyo in Japan, the world's largest bank, with assets of £270 billion.

The deal will also be watched closely by the Chinese government, since the Hongkong bank is vital to the local economy, and will remain so after the Chinese takeover of the colony in 1997. The bank said it was keeping the Peking authorities informed of its plans.

£3bn merger, page 19
Oriental marriage, page 23



Wearing of the green: Queen Elizabeth the Queen Mother with the 1st Battalion, The Irish Guards, in Berlin after presenting them with shamrocks on St Patrick's Day, a ceremony dating from 1900, the year of her birth

Old party stage farmyard farce

With an added touch of farce it was a reversal to the conspiratorial traditions of the bolsheviks. The diehard remnant of the once mighty Soviet Communist party was yesterday reduced to meeting in a farmyard building illuminated by candlelight and, intermittently, by a single light bulb powered by a car battery.

The attempt by a few hundred anti-Yeltsin communists to reconvene the full Soviet parliament and resurrect the Soviet Union collapsed in a hasty and disorganised proceedings in the assembly hall of a collective dairy farm at Podolsk, outside Moscow.

In Moscow itself, thousands of demonstrators, mainly older Russians, thronged the streets in support of the communists. They denounced President Yeltsin's market reforms, and de-

A rally of Russia's communist old guard failed to take off and degenerated into farce. Bruce Clark reports from Moscow

clared the "reinstatement of Soviet power".

The hardliners can present themselves as martyred tribunes of the people. Those with long memories recalled that the bolsheviks had had modest beginnings in a warehouse in London's Tottenham Court Road in 1903, and had gone on to stage a revolution in Petrograd 14 years later.

Yesterday's diehard Assembly, however, held at Podolsk because it had been banned in Moscow, showed no such promise. Only a fraction of the old

parliament's 2,250 members attended, based out of Moscow in six battered coaches. They were outnumbered by the 200 reporters who followed them in a comical chase to the nondescript farming settlement near Voronovo.

With as much dignity as they could muster in a dreary concrete building whose power supply had been cut off, organisers rallied through their agenda, including the adoption of a string of hard-line resolutions which few had time actually to read.

The resolutions insisted that the Soviet Union and its parliament still existed; denounced the break-up of the Soviet army; rallied against the idea of Russia joining Nato, and deplored "foreign

Big rise in births for over-35s

By Lin Jenkins

WELL-EDUCATED women are responsible for a huge increase in the rate of child-bearing among women in their thirties, according to an Office of Population Censuses and Surveys study out today.

Changes in the fertility rate of different age groups has diverged for the first time since records began. The overall rate of births increased by 8 per cent in the decade to 1990, bringing the average family size to 1.84 children, but births to women aged 30 and over rose by 30 per cent, and women over 35 experienced a 44 per cent increase.

Leading article, page 15

Careers first, page 4

Britons told to quit Libya

British citizens in Libya were advised by the Foreign Office to leave the country immediately after the UN security council was asked to sever air links and halt arms sales to Colonel Gaddafi. Britain, France and the United States discussed Libya's refusal to extradite two Libyans accused of the Pan Am bombing over Lockerbie in 1988. *Page 18*

Poll boost

South Africa's white voters turned out in large numbers, boosting President de Klerk's hopes of winning the "yes" vote he seeks in the referendum on his constitutional reforms. *Page 12*

Show gamble

The latest theatrical gamble of Cameron Mackintosh, *Moby Dick*, was presented at the Piccadilly Theatre. *Page 18*

Sailing shock

Relatives who launched their own inquiry into the loss of the trawler, *Pescado*, with six lives a year ago have discovered the ship sailed without a safety certificate. *Page 5*

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Employers seeking chief executives, managers and other senior staff are advertising tomorrow in 13 pages of appointments in the Life & Times section.



Now you can't even vote with your feet

By Alan Hamilton

ENERVATED by the election already? Brassed off with the bubble, sick of the psephology, laded with John, numbed by Neil, perfectly paralysed by Paddy? Now would seem the ideal time for all sensible persons rendered catatonic by the campaigning to buy an air ticket and flee the country to some safer clime until it is all over.

Don't even think about it. One distressing effect of the new fashion for democracy is that almost the entire world is suffering a global epidemic of electioneering. Few countries can be recommended as entirely safe, and medical science has yet to develop an inoculation against the infection that is rapidly becoming resistant to that reliable old standby, jackboot dictatorship.

So you stand by might hop over to France until the British outbreak has been brought under control? An unwise

move: the French hold their regional elections this Sunday and, being the French, have to have another round on March 29. Italy? Highly dangerous: the Italians, who suffer endlessly from hung parliaments, go to the polls on April 5 and 6. Avoid Germany, too: Schleswig-Holstein and Baden-Württemberg are even now dusting down the ballot boxes. Denmark? Heavens, no: it is winding up for a referendum on the Maastricht summit. And avoid Andorra: its general election is four days before our own.

America is, of course, absolutely riddled with the virus, and do not imagine that even the uttermost corners of the union are in any way sanitary: the American Virgin Islands hold their caucus on March 28. The disease has been endemic in the US since George Washington caught it from Tom Paine and other European carriers, but it is now almost as rife in the newly exposed nations of the east. Russia has become a hopeless

case, with a referendum in the antononomous republic of Tatarstan on Saturday, and another sweeping across the whole of Siberia next week. Even Albania is having one on Sunday.

Somewhere further afield, perhaps? Quite hopeless. The South Korean general election is on Tuesday, and the golden beaches of Phuket will be polluted by polling day in Thailand on April 5. Also avoid Iran: parliamentary elections strike there on April 10. And forget heading for Timbuktu: it is, sadly, situated in the republic of Mali, whose presidential election is on April 12.

Experts have identified 58 countries expected to suffer from elections this year. Among the few regarded as safe in the short term is China. But check before booking, and always take precautions, such as avoiding unprotected contact with local newspapers and television. Innocent they may seem, but they could be carriers.



An Oxfam message to Election Candidates

Say You Care!

In the next three weeks, 756,000 Third World children will die because of poverty.

A recent opinion poll* shows 74% of people think the Government should do more to help people in the Third World.

Oxfam agrees.

For 50 years we have been working alongside poor people to fight poverty.

Our supporters will be asking you, the candidates, what you will do to tackle the poverty that kills a child every 2.4 seconds:

Say You Care!

(*NOP: sample 1000 adults, January 1992)



If anyone would like details on Oxfam's Campaign for a Fairer World, or to make a donation, please ring:

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Or write to: Oxfam, Room B677, FREEPOST, Oxford, OX2 7BR

Rover deal guarantees workers jobs for life

By KEVIN EASON, MOTORING CORRESPONDENT

ALMOST 35,000 Rover workers are about to agree to the most revolutionary deal in the British car industry, guaranteeing jobs for life.

Union leaders yesterday recommended acceptance of new Japanese-style working practices in return for the guarantees. Details will be outlined to the Midlands-based workforce in time for a ballot early next month.

Unions have been negotiating for two months on com-

pany proposals to counter the threat from Japanese factories setting up in the UK. Working from greenfield sites and with young workforces, the Japanese "transplants" are setting higher productivity targets for British firms.

Rover has already adopted many Japanese techniques to make its Longbridge plant at Birmingham one of the most efficient in Europe but further efficiencies are needed if Rover is to improve its position and remain competitive. George Simpson, Rover's chairman, has said improvements in efficiency of about 30 per cent will be needed in the next three years.

Unions were asked to abandon demarcation lines to allow assembly workers to move between different jobs. The reward for increasing productivity will be the guarantee of job security, the only guarantee of its kind offered in mainstream manufacturing industry in Britain. Only Nissan at Washington, Tyne and Wear, offers similar pledges in the car industry.

Michael Wright, aged 43, will become a team leader of 15 men under the new system. "Greater flexibility is the main thing. Certain people do certain jobs but now there will be greater mobility of labour," he said.

Mike Blakeway, an engine stamper, said: "It will be an improvement because it will make us more versatile. It is boring doing the same thing all day." David Cutler, a seat builder, and also a shop steward, was suspicious of the "jobs for life" guarantee. "The idea that everybody is equal is all very well but there are going to be some people more equal than others."

Finbar Madden, who works in the hot test section, said: "They are trying to introduce a foreign culture's ideas and it will not work. I think there will be trouble and strife until they shelve it."

Rover has taken the most radical step in the industry by trying to make its changes at once throughout the company. It had little choice: its 35,000 workers make 400,000 cars a year from two plants: Nissan, with 3,000 assembly workers, is scheduled to produce 270,000 at Washington by next year.

Orphan hears for first time

By RAY CLANCY

ATTILA Erdei, an orphan aged five from Romania, yesterday returned to his homeland after medical treatment in Northern Ireland which has enabled him to hear properly for the first time.

Doctors at the Royal Belfast Hospital for Sick Children have fitted Attila with two hearing aids giving him almost perfect hearing. After a month of treatment he is already stringing words together and his favourite pastime is listening to music. "We speak to him in Romanian so he does not get confused by English words," Iosif Ovidiu, project director with Express Aid International, a Belfast based charity, said.

Two physically handicapped orphans will visit Belfast later this year for six months of medical treatment and Attila, who was found wandering the streets of Arad by a policeman, will return in December for further treatment. Express Aid International is also involved in exchange schemes to bring Romanian doctors to Belfast for specialised training and is planning to send British doctors to Romania to run courses in hospitals.



Switched on: Attila Erdei happily wearing the new aids that have given him almost perfect hearing

Duke invited to meet Greek Orthodox leader

Alan Hamilton and Andrew Finkel in Istanbul report on how the Duke of Edinburgh's environmental concerns are leading him back towards the church into which he was born

THE Duke of Edinburgh, born into the Greek Orthodox faith but received into the Anglican church on his marriage to the future supreme governor of the Church of England in 1947, has been invited to Turkey in May to meet members of the eastern's faith's minority community in that officially secular but predominantly Islamic state.

Buckingham Palace yesterday refused to confirm that the duke, who is currently abroad, had any entry in his diary for a trip to Turkey. He is, however, confidently expected to arrive in the country in a private capacity to meet Bartholomew I, the recently installed ecumenical patriarch who leads Turkey's

tiny enclave of 5,000 Orthodox adherents, and who takes a strong line on environmental issues.

Sources in Ankara, the Turkish capital, said yesterday that the duke had been invited to visit a theological seminary closed by the Turkish authorities in the 1970s when the country was under martial law, and to be a guest at a holy synod of the orthodox church that will debate environmental issues.

The Turkish government said yesterday that it had not been informed officially of

any visit by the duke, and the Foreign and Commonwealth Office, through which all royal visits abroad are supposed to be sanctioned, will treat any such visit with mild trepidation, given that the Greek Orthodox church is not only a minority sect in Turkey, but one which has been oppressed in the past.

Martin Palmer, director of the Manchester-based International Consultancy on Religion, Education and Culture and an adviser on religious affairs to the World Wide Fund for Nature, of

which the duke is international president, has been in Turkey arranging the visit. Last week Mr Palmer wrote in *The Spectator* that the duke's interest in the Orthodox church was profound, and claimed that the Queen's husband found his original faith to have a better understanding of where man stood in relation to God and creation than did the Church of England.

Buckingham Palace has said that there is no question of the duke abandoning his adopted Anglican faith, a de-

cision that would be virtually impossible given the Queen's position as head of the established church. The duke's interest in the eastern religion is said to be purely on account of its commitment to conservation, and its belief that technological advance is not always compatible with spiritual progress, an issue to which the duke is strongly committed.

A visit to Turkey by the duke would vastly enhance the standing of Bartholomew I, a barber's son whose domain is a few ramshackle buildings in a run-down part of Istanbul but who regards himself as *primus inter pares* in a church which claims 300 million adherents in south-east Europe.

Lockerbie judgment reserved

Scottish police investigating the Lockerbie bombing in 1988 are awaiting a decision from the High Court in London on whether they are entitled to take possession of a journalist's taped interviews with two Libyan agents accused of plotting the attack.

Two judges yesterday reserved judgment on a move by the American ABC News corporation and Pierre Salinger, its chief foreign correspondent in London, to quash an order by Middlesex crown court requiring them to hand over video footage and tape recordings to anti-terrorist police. ABC and Mr Salinger said the order was unlawful and unreasonable because they were not told what information the police had relied on to obtain it.

Libya links, page 18

Libel appeal

Derbyshire county council is to appeal to the House of Lords after being defeated in a libel action. Last month the appeal court blocked a libel action by the council against *Times Newspapers* over a story on share-dealing in *The Sunday Times*. The court ruled the council could not sue to protect its reputation in the way individuals can and it was ordered to pay all the legal costs.

Search resumed

The search for a missing East Kilbride hillwalker was resumed yesterday after bloodstains were discovered in deep snow on Stob Coire nan Lochan, 2,000ft above Glen Coe. Stewart Bryan vanished during a walk in Glen Coe ten days ago. Five days of exhaustive searches of the mountains by rescue teams, sniffer dogs and the RAF produced nothing. Letters, page 15

CORRECTION

Law Times said yesterday that Lord Mishcon, a distinguished solicitor, is a past chairman of the Bar. He is not, and *The Times* apologises for the error.

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A BREATH OF FRESH AIR.

Shot planning chief 'ignored advice' on demolishing home

BY PETER DAVENPORT

THE council planning officer shot dead in a televised confrontation over a bungalow built without planning permission ignored advice from police and lawyers about how the demolition should be carried out, a court was told yesterday.

Senior officers and the solicitor to Derwentside council in Co Durham urged that Albert Dryden, the bungalow owner, should not be told in advance of the day the bulldozers were to move in to knock down the building. Their advice was overruled by Harry Collinson, the council's senior planning officer, and the authority's planning committee, who insisted that the demolition be carried out openly. A letter was sent to Mr Dryden, notifying him of the details and timing, Newcastle upon Tyne crown court was told.

When council officers and demolition workers turned up on June 20 last year, Mr Dryden, aged 51, who had previously threatened violence in defence of his home, was waiting for them. The jury was told that when Mr Collinson refused to order the bulldozers away, Mr Dryden

shot him through the chest with a revolver.

As onlookers, including police and journalists, fled, Mr Dryden fired 11 more shots, the jury was told. Mr Collinson was shot again, in the chest and head, as he lay mortally wounded in a ditch.

Tony Belmont, a BBC television reporter, and PC Stephen Campbell were shot and wounded as the cameras continued to record. That evening, the incident was seen by millions of viewers on television news programmes.

Mr Dryden, of Consett, Co Durham, denies murdering Mr Collinson at the bungalow in Buttsfield. He also denies attempting to murder Mr Belmont and PC Campbell and Michael Dunston, a council solicitor. He denies wounding the television reporter and a policeman.

On the second day of the trial yesterday, Mr Dunston told the jury that he had attended a meeting of council officials and the police a few days before the demolition was due to be carried out. He said: "The police thought that Mr Dryden should not be told the day and time of the demolition. There was

another opinion that it should all be done in the open. I thought that, in view of the history of the matter, it should not be done openly."

The court was told that Mr Dryden insisted that he had been promised a reprieve while the planning authorities considered his appeal. A letter telling him that his appeal was invalid arrived the day after the shooting.

Michael Allun, aged 22, a technician in the council's planning department, told the court that he had been taking photographs at the scene when he saw Mr Dryden raise his revolver and shoot Mr Collinson. He and a colleague, who had been making a video recording of the events, ran down the road and took cover behind a parked van. Mr Dryden began walking towards them and then returned to the ditch where Mr Collinson had fallen after the first shot.

Mr Allun said: "He pointed the gun and shot what I presumed was Harry's body." When Mr Dryden walked off again, still firing, Mr Allun and his colleague went to see if they could help Mr Collinson. "We saw him lying in the ditch. We couldn't tell if he was dead," he said. The pair stayed for only 30 seconds before they again had to run for cover when Mr Dryden turned towards them.

Mr Belmont, aged 39, told the court that he ran for safety after seeing Mr Collinson shot. "I turned, and I was hit in the right arm. There was a general mêlée, a panic. People were running for their lives. I just had a feeling I had to get out of there because the pain was quite tremendous. I was afraid I and my colleagues might be shot again."

Mr Belmont said that he had since undergone four operations on a shattered bone in his right arm. He still had a steel plate in his forearm and had not recovered the full use of his hand because of a damaged nerve.

PC Campbell told the court that, as Mr Dryden approached the gate of the property, he saw that the hammer of his gun was cocked. He said: "No words were spoken and shots were then fired. I was behind the excavator trying to keep covered. There was a general air of panic and I was conscious that Dryden was coming through the fence. I thought I had better run as fast as I could. I got shot in the lower back and felt pain."

Helen Dodd, an officer at Consett county court, said that, two months before the shooting, Mr Dryden had visited her office to ask if he could take out an injunction against the council for trespassing on his land. She said that she advised him to see a solicitor, but he became agitated, threatening: "I will take a gun to the lot of them."

The trial continues today.



Family firm: Donovan, the 1960s pop singer, in London yesterday with his daughter, Astrella Celeste, aged 21. She is a member of his new band which is touring Britain for Friends of the Earth's 21st anniversary fundraising event in May, Bike to the Future

Golf courses ruin rural heritage, says trust

BY JOHN YOUNG

THE National Trust yesterday voiced its concern over the recession in agriculture and the threat to the livelihoods of tenant farmers.

The countryside was made, even in the uplands, and its quality and rich variety, which the trust was required to protect, had been centuries in the making. "Neither extensive farming, nor setaside when it takes the form of golf courses or huge conifer plantations, are the answer. The latter destroy what we seek to protect."

Lord Chorley, the trust's chairman, said in a preface to its annual report. As the nation's largest private landowner, the trust was concerned about the future of British agriculture and the massive changes now affecting the farming community. "It is important to us that our 1,200 tenant farmers, and the rural communities of which they are part, should prosper," he said. "Moreover, agricultural rents are an important, albeit declining, source of income."

Lord Chorley was con-

cerned particularly about the future of upland sheep farming. Farms in the Lake District, the Peak District, the Yorkshire dales and moors, and upland Wales were traditionally dependent on their flocks, and without them would no longer be working farms, he said. Sheep were effective lawn-mowers and without them vegetation would change, with heather replacing grass, and scrub and woodland developing at lower altitudes.

While welcoming the concept of environmentally sensitive areas and the new countryside stewardship scheme, the trust said it would like to see special incentives to ensure a viable future for sheep farming.

Angus Stirling, the trust's director-general, said yesterday that many older tenant farmers were unwilling to encourage their sons to take over because they did not see any future in farming.

Lord Chorley also drew attention yesterday to the threat from new road schemes, about 40 of which affected trust

properties. Among them were improvements to the A3 where it crossed the Devil's Punch Bowl near Hindhead, Surrey; the A5 at the entrance to the Snowdonia national park in North Wales; and the A35 in Dorset, which would cross part of the Golden Cap. The trust accepted that new roads were needed, but would like to see a change in "cultural attitudes" within the transport department. "They are engineers, and they like building roads," Lord Chorley said.

The number of paying visitors to trust properties last year fell by 4 per cent, and finances were also affected by the rise in value-added tax and by stricter rules governing covenants. However, the trust was able to increase expenditure by nearly 18 per cent to £82 million, largely due to the generosity of benefactors.

In an attempt to counter the rise in thefts from its properties, the trust will ban all internal photography by visitors from the beginning of next month. The fear is that thieves may use cameras to pinpoint the location of pictures and ornaments to help a night-time raid.

Leading article, page 15

Nature group issues plea for real forests

BY KERRY GILL

CONCERN over a decline in natural woodland in Scotland has led environmental bodies to call for a review of forest policy aimed at creating authentic woods and forests instead of huge clumps of conifers "with frilly edges".

The Scottish Wildlife and Countryside Link, a group of 22 conservation and recreation bodies, today publishes a paper on how forests should be developed. It said that the planning target of the government and the Forestry Commission, of 33,000 hectares a year, had no rational basis and did not indicate where forests should be created or what type they should be.

Andy Wightman, editor of the report, said: "For-stry policy has been, until recently, centred around timber production. We have had timber production policies deciding what type of forests we should have. This paper concentrates on the creation of real woods and forests rather than plantations of fast-growing conifers with frilly edges."

Mr Wightman said that there had to be a more holistic approach. Policy should cover recycling, timber imports, the water table and rural development. The paper says that forests should be designed to bring environmental, recreational and social

benefits while avoiding harm to wildlife, archaeological sites, farmland and access.

Most of Scotland used to be natural forest, including oak, Scots pine and rowan. Only 14 per cent is now under trees, of which only 1 per cent is native woodland. Conservationists yesterday began a campaign to replace the Exmoor national park board with an elected local authority with wide powers to protect the area (Douglas Broom writes). The Exmoor Society said reorganisation of local government, promised by the main political parties, offered a chance to form a unitary authority.

The national park straddles the Somerset/Devon boundary and is in the jurisdiction of at least three district councils. The park board, with wide planning powers, is a committee of Somerset county council, with a third of it government-appointed.

Guy Somerset, the society chairman, said: "Everything that happens in the national park affects its character." However, Jenny Cunningham, of the Council for National Parks, a charity, said: "It would take away the clarity of vision that national park boards now have by bogging them down in details like providing school dinners."

Whitehall rebuked for adverts

Two government departments have been reprimanded for publishing misleading advertisements which implied that recent bad weather and the hurricane of 1987 were caused by global warming (Alison Roberts writes).

The campaign by the departments of energy and environment was designed to encourage energy conservation. The Advertising Standards Authority said that the connection between global warming and the hurricane has not been proved.

The headline, above six pictures of the after-effects of the 1987 storm, said: "Global Warming. We have been warned." The headline was qualified in smaller print: "Scientists are not yet able to say if the Great Storm of 1987 and the hurricanes of 1989 and 1990 are among the first signs of global warming." The authority upheld complaints and ruled that the overall impression of the posters was misleading.

Arms dealer on murder charge

An arms dealer has appeared in court accused of conspiring to murder David Wilson, the businessman killed at his home in Lancashire by two masked gunmen 12 days ago. Stephen Schepke, aged 44, of Sidcup, Kent, was remanded in custody for seven days by magistrates in Chorley.

A police investigation is continuing into the death of Mr Wilson, aged 47, a partner in an accountancy firm, who was shot twice in the head in the garage of his home while his family was held hostage in the house.

Tapes enquiry

Criminal or disciplinary action is being considered against 12 West Midlands police drugs squad detectives after a Police Complaints Authority report into complaints against them by Stafford Douglas, aged 42, Mr Douglas, who was acquitted on drug charges at Birmingham last year, secretly recorded conversations with one of the officers, who he alleged tried to blackmail him into becoming an informant.

Bomb found

An unexploded second world war bomb was removed from the loft of a house in Nottingham. Doris Shelton, who moved into the house before the war, said: "I can remember the air raid in April 1941. Two people were killed next door and our house was damaged but they must have missed the bomb when it was repaired." The army destroyed the bomb in a controlled explosion.

Gun accident

A member of Scotland Yard's royal and diplomatic protection group was resting comfortably in hospital last night after accidentally shooting himself in the leg during training at Waltham Abbey, Essex. The wound, caused by a plastic training round, was described as not serious but the man, aged 31, was flown to hospital in Epping.

Jail escape total reaches 35

BY RICHARD FORD

THE escape on Monday night of two prisoners from Maidstone jail, Kent, has brought to 35 the number of prisoners who have escaped from jails in England and Wales this year.

A further 22 have fled while being escorted outside jails by prison staff and 304 have absconded, usually while on home leave. The Home Office, however, is unable to say how many of those who have escaped or absconded this year or last year have returned to prison. Last year 184 prisoners escaped from jails in England and Wales, 110 fled from escorts, and 1,650 absconded.

In the latest escape, Gregory Crabtree, aged 26, of Fexham, west London, and Michael Johnson, aged 24, of South Harrow, north-west London, scaled the wall of Maidstone jail using a rope made of knotted sheets.

Crabtree was serving a sentence for firearms and robbery offences as well as a previous escape from jail. Johnson was jailed for theft, burglary and possession of firearms.

Police, who were checking addresses in the Home Counties yesterday, described both men as dangerous and warned the public not to approach them.

Theatre deal assures future of ENO

BY SIMON TAIT

ENGLISH National Opera assured its future yesterday by buying its home, the Coliseum, for £12.8 million with the help of a last minute grant by the government.

Peter Jonas, general director of the ENO, said: "Every step we have taken over the last eight years has been with the knowledge that the lease was coming up in 1996. This is a tremendous moment because at last that spectre is no longer with us."

First news of the government grant came on Monday, the last day of official Commons business before the election, when Tim Renton, the arts minister, hinted through a *Hansard* announcement that a £10.8 million unspecified grant from the Treasury reserve fund was to be made. The same afternoon, contracts were signed by ENO and Stoll Moss Theatres after receiving the government grant and a further £2 million from the pools companies' Foundation for Sport and the Arts.

Mr Jonas, Mark Elder, his musical director, and David Pountney, director of productions, have been involved in secret negotiations with Stoll Moss Theatres for a year. All three are leaving next year, and Mr Jonas had given until this April to resolve the matter.

"Having the freehold means a quite different attitude to the theatre in terms of working on it, producing



Going for a song: the Coliseum sold for £12.8m

in it, and raising investment to help us," he said.

ENO now has to raise another £20 million for refurbishment and repairs at the theatre with a new rehearsal room and acoustic repairs as priorities.

The company had been in deadlock with the former Stoll Moss owner, Robert Holmes a Court, who found the 50-year lease at £350,000 a year rent "unrealistic". He saw the Coli-

um as the jewel in his Stoll Moss crown, not for sale, and carried out negotiations himself.

Only after he died in September 1990 did talk of a sale begin. Richard Johnston, managing director of Stoll Moss who took on the negotiations, said that the apparent bargain price was better than an unrealistic rent and an uncertain future after 1996.

The ceiling in the dress

circle has recently collapsed under the weight of rain-water and a speedy repair of part of the roof was carried out with a sponsorship of £168,000. Walls are streaked and blackened, carpets threadbare, paintwork flaked and plasterwork crumbling to uncover bare brick underneath.

The gilded plaster on the front of the royal box is badly chipped, and the golden lions on top of the boxes on either side of the stage have lost their glister underneath layers of dust, which will cost £6,000 to remove. The Coliseum, described as "the triumph of the century" when it opened as the largest theatre in London, is the Baroque masterpiece of Frank Matcham. Oswald Stoll commissioned and opened it as a variety theatre in 1904, but closed "the Playhouse of the World" two years later because of falling box office sales.

He was unable to sell and instead, Stoll brought in George Robey, Little Tich, Nellie Wallace, Harry Lauder, Vesta Tilley, W.C. Fields and even Sarah Bernhardt as crowd pullers. Later, Gracie Fields and Noel Coward performed there, and several galas and royal variety performances were staged. The Coliseum became the home of the Sadler's Wells Opera, now ENO, in 1968.

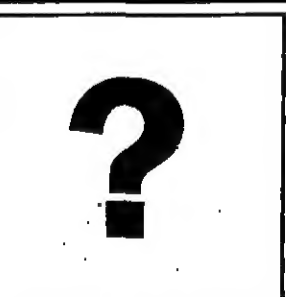
Sir Nicholas Goodison, vice-chairman of the ENO, said: "Our duty now is to make it the best theatre we can for the largest opera audiences in the country."



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Couples delay family life to boost careers

Fertility rate soars among thirtysomething women

BY LIN JENKINS

THE fertility rate of women in their late thirties has risen by 44 per cent in a decade as more couples delay marriage and put off having a family until their careers are well established.

The 1980s saw a surge in the number of births to women aged thirtysomething and if the current trend continues, the 1990s will see an even more dramatic increase in the number and proportion of births to women over 30, according to statistics published today in *Population Trends*, the journal of the Office of Population Censuses and Surveys.

While the decade saw a rise of 8 per cent in all births, the number of births to women aged thirty and over rose by 30 per cent from 171,000 in 1980 to 218,000 ten years later. In 1990, 30 per cent of all births were to women over thirty. Ten years earlier the proportion was 26 per cent. The study shows that whereas rises and falls in fertility rates

used to coincide in all age groups, there is now a big divergence between younger and older women.

The change is seen as largely the result of highly educated women, whose husbands or partners are professional men on high salaries, delaying childbearing. "This trend has not resulted from a postponement of childbirth within marriage, but rather suggests that marriage has been delayed. Indeed, childbearing may act as the spur to marriage for some cohabiting couples," Clare Jones, author of the study, said. "However, a recent estimate indicates that at older ages the fertility rates of cohabiting women may have been slightly higher than those of married women. Thus, the extent to which the trend towards later age at marriage has influenced, or been influenced by, shorter marriage durations before the first birth, and the overall postponement of childbearing, is unclear."

For women aged 30 to 34, the fertility rate rose from 69 births per thousand women in 1981 to 76 in 1985 and to 87 in 1990, an overall rise of 27 per cent. Over the same period the fertility rate of women in their late thirties increased from 22 in 1981 to 31 in 1990.

The fertility of women in their early forties has risen each year since 1982 at a slower rate from four births per thousand to five per thousand in 1990.

The unprecedented aspect of the trend is the difference between the fertility of younger women compared with older. Whereas rates for all age groups used to rise and fall together, those for women in their twenties have declined from 1980 to levels far lower than have been seen since the second world war.

The fertility rate of women aged 20 to 24 fell 19 per cent to 92 births per thousand women in 1990. During the same period, fertility of

women aged 25 to 29 dropped by 8 per cent. By 1990, the rate for women aged 20 to 24 was only slightly above that of women aged 30 to 34, marking a dramatic change since 1980 when it had been one third higher.

"Due to the rise in the number of women aged 20 to 29 the impact of the reduced fertility rates of the number of births has so far been dampened," the report said. "The number of births to women aged 20 to 24 decreased by 11 per cent between 1980 and 1990, while the number of births to women aged 25 to 29 actually increased by over 17 per cent as the 1960s baby boom generation reached these ages. Thus if the current trends in age-specific fertility rates persist, the 1990s will witness even more dramatic increases in the number and proportion of births to women in their thirties."

Population Trends 67 — Spring 1992 (Stationery Office, £2.25)



Happy family: the actress Patricia Hodge who joined the trend for later babies with her second child, a boy born earlier this year when she was aged 45

Halford refused access to files

BY RICHARD FORD
HOME CORRESPONDENT

ALISON Halford, one of the country's most senior police-women, failed yesterday in an attempt to see police complaints and disciplinary files which she wanted to use in her sex discrimination case.

The Court of Appeal ruled that she was not entitled to see the confidential documents held by James Sharples, the chief constable of Merseyside. Miss Halford, an assistant chief constable of Merseyside, is bringing a sex discrimination case alleging that she was barred from promotion because she is a woman. She alleged sexual discrimination after applying in March 1990 for the post of deputy chief constable of Northamptonshire and she claims she has been refused promotion nine times because of her sex.

As part of her case, which is being supported by the Equal Opportunities Commission and which is expected to be heard in May, Miss Halford wanted permission to see documents, including police complaints and disciplinary files, which she says are relevant to her claim.

By a two to one majority, the appeal court yesterday supported Mr Sharples and the home secretary in their opposition to the files being made available to Miss Halford and her advisers. Sir Stephen Brown, one of the judges, said: "I consider there is an overriding public interest in maintaining the integrity of the police complaints and disciplinary files." He said that was not altered by Miss Halford's membership of the Merseyside force.

Lord Justice Ralph Gibson disagreed and said he did not consider that public interest meant that the files were immune from disclosure.

Miss Halford, aged 51, has been suspended from duty for more than a year pending disciplinary proceedings which her lawyer has said were motivated by perceptions that she was a lesbian. She has been accused of discreditable conduct while on duty after allegations that she swam in her underwear at the home of a Birkenhead businessman.

Last December, a High Court judge ruled that the manner of her suspension was unlawful. Before she could return to work, Merseyside Police Authority renewed disciplinary proceedings and suspended her again.



Halford: says files are relevant to her claim

EC backs air fares freedom

PASSENGERS on regular UK flights to Europe could pay far less from next year.

Most EC member-states are near to agreement on a formula allowing airlines to fix their own fares, Karel Van Miert, the EC transport commissioner, said in London yesterday. "The majority seem to be willing to go along with having the freedom to fix tariffs." The new fare system could start in January.

At present, European air fares are governed by the "double approval" principle. If, for example, a British airline wants to introduce a new fare to France, it can be stopped if the British and French governments oppose it. Under the new scheme, airlines could fix any fare they want, although the EC would regulate the system to prevent airlines making predatory or dominating fare changes.

Mr Van Miert was speaking after attending a meeting of transport ministers from the 28-member states of the European Civil Aviation Conference in Westminster. He also said that airlines were likely to be allowed to land at and take-off from more than one city in another member state on the same scheduled service. Thus, Air France could fly to London, pick up passengers and fly on to Manchester.

Malcolm Rifkind, the transport secretary, said at the meeting that passengers face at least another two years of airport delays in spite of improvements to the air traffic control system.

Mr Van Miert said that air traffic delays in Europe cost £3.8 billion a year. More than 10,000 flights a month in the winter and more than 20,000 a month in the summer were delayed last year.

BBC goes for gold with Olympics

EXCLUSIVE live coverage of the Barcelona Olympics is the highlight of the BBC's £70 million spring and summer schedules launched yesterday.

The announcement follows a dispute over exclusive coverage of the cricket World Cup by BSkyB, which led to millions of viewers missing live transmission of the matches and prompted questions in the Commons.

Jonathan Powell, BBC1 controller, said: "Exclusive coverage of the Olympic Games gives a special focus to BBC1 this summer. This is accompanied by a range of brand new quality drama, plus fresh comedy, entertainment and factual programmes."

On election night, leading comedians will focus on the life of John Major with the prime minister played by Adrian Edmondson and the Labour leader's wife, Glensy Kinnoch, played by Dawn French.

Alan Yentob, controller of BBC2, said the season was "ambitious, imaginative, even a little subversive. When the polls close on election night both the *Comic Strip* and *Have I Got News For You* will offer some pungent topical entertainment as we await the results."

The season includes nine new dramas and several new comedies on both channels. Susan Hampshire and Tony Britton appear in *Dad's Army* by Roy Clarke, writer of *Last of the Summer Wine*, and Gareth Hunt and Louise Rix star in *Side by Side*.

The comedienne Marti Caine returns to television after her fight against cancer in a comedy show, *Joker In The Pack*, and Bruce Forsyth headlines in a variety show that will feature guests such as Dudley Moore and Larry Hagman.

The comedian Harry Enfield returns to BBC2 for another series of his show and on Good Friday the Red Nose Day team looks at how the money raised is used in the Third World in *Behind the Nose*.

The first 36 hours of the Falklands conflict will be recreated on BBC2 in *An Ungentlemanly Act*, which is now being filmed to mark the 10th anniversary of the outbreak of the war. It stars Ian Richardson as Sir Rex Hunt, the former governor of the Falklands. Terry Wogan will co-host *The Health Show*, with Jackie Brambles of Radio 1.



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Families call
over trawler

Police begin investigation into sinking of fishing boat described by engineer as 'the worst ship I have ever seen'

Families call for truth over trawler deaths

THE Pescado was a jinxed ship. Joseph O'Connor, an Irishman who was its former owner and then agent, had convictions for owning an unsafe vessel and for fraud.

The 70ft trawler, built 36 years ago, first foundered on the Welsh coast ten years ago, was refloated and then sank in Fishguard harbour. It was bought by Mr O'Connor after being salvaged and added to his Plymouth-registered fleet, which included Spanish-owned trawlers he had registered in Britain to exploit EC fishing rules. "I am a pioneer not a pirate," he said.

Ownership of the Pescado passed to Guideday, a Plymouth-based company, two years ago when Mr O'Connor went bankrupt, but he remained its agent and organised its refit in Plymouth. How that refit was conducted and funded form part of a Devon and Cornwall police investigation. Ernie Hart-Greenwood, an experienced engineer who worked on the vessel, described it as "the worst ship I have ever seen". His fears were passed to the transport department.

Sean Deakin, who carried out sea trials, found it unstable and complained that the auto-pilot and short-wave radio failed to work and the ship's lights were invisible from some angles.

Early last year, the Pescado began a series of fishing trips despite the lack of a safety certificate, a licence to fish or adequate insurance. None of the authorities on the quayside in Plymouth attempted to stop the trips, despite the Pescado's record and Mr O'Connor's background, which included a £7,500 fine for one of his companies for owning an unsafe vessel.

Six people died when the Pescado sank a year ago. Tony Dawe asks whether it should ever have set sail

Officials have since said that it is impossible to monitor the activities and status of every vessel on a busy coast.

Mr O'Connor had recruited scratch crews for two-week scalloping trips that could earn them £2,000 a head. Among the crew leaving Plymouth on February 25 last year was Adrian Flynn, aged 21, from Lincoln, who had never been to sea. His mother, Eileen, said: "He hadn't been working for six months and hated being idle. He was one of those who would go anywhere for a job."

Jo-Ann Thomas, aged 22, from Plymouth, signed up as cook alongside Neil Currie, her fiancé from the Hebrides, who skipped the vessel although he did not hold a captain's licence. The most surprising recruit was Sean Kelly, aged 17, foster brother of Sean Deakin, who had refused to sail on the Pescado after its sea trials. Jo Deakin, his foster mother, said: "I wasn't happy about him going, but just try telling a 17-year-old what to do."

Three days after the ship left Plymouth, where it had stopped for repairs, a Looe trawlerman reported wreckage that could have come from the Pescado. Nobody saw the ship after that or had any contact with it, but a week passed before the owners reported it missing.

Miss Thomas's body and identifiable wreckage were then discovered and, in mid-

March, the vessel was pinpointed 240ft down, 13 miles off the Cornish coast. It had sunk in moderate weather, well clear of shipping lanes and without any reports of a collision. The cause of the tragedy remains a mystery, but only a routine enquiry has been carried out by the transport department's marine accident investigation branch.

It took three months to send a remote-control camera to film the wreck, and until today for the relatives to be shown the film in full. Charles Hattersley, a marine lawyer representing relatives, said: "It is significant that none of the crew nor the ship were insured. I am convinced that, if there had been a heavy insurance claim, things would have worked out differently."

Alan Ayres, Guideday managing director, who arranged independent filming of the wreck, has insisted that his video indicates the Pescado was hit by a submarine. The defence ministry has denied that any submarines were operating in the area at the time.

Last summer documents relating to the Pescado were

found by detectives from the Metropolitan police fraud squad investigating other aspects of Mr O'Connor's business.

In London last November, he was jailed for two years for a £360,000 fraud involving the phoney purchase of a ship in the Gulf. Papers were passed to Devon and Cornwall police, who have now launched a criminal investigation.

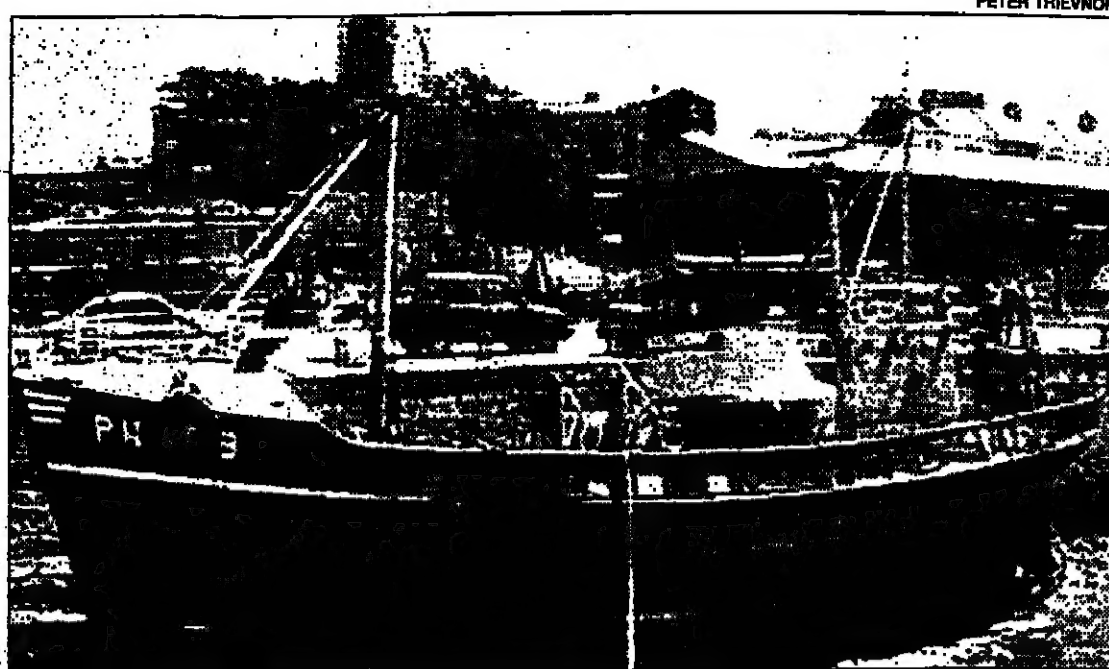
Relatives who welcomed an enquiry were dismayed by this month's summary report from the transport department's marine accident investigation branch drawing the "tentative conclusion" that the Pescado's starboard fishing gear had snagged on a seabed obstruction and capsized.

Rita Capon, Miss Thomas's mother, described the report as "rubbish" and, with other relatives, claimed that the vessel could have heeled without capsizing to a far greater extent than the investigators have allowed.

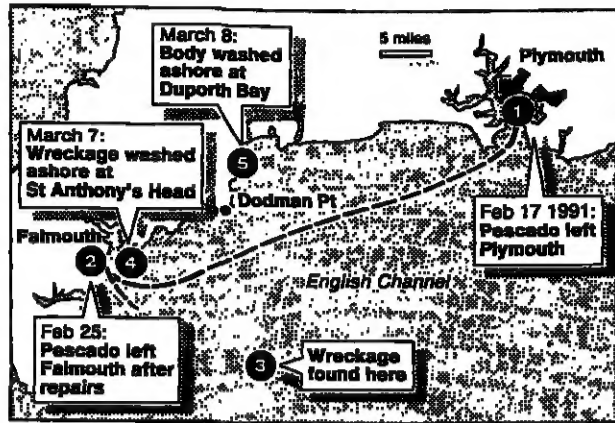
The relatives have also learnt that the deck was damaged and believe that was caused by a collision with another vessel.

Mrs Capon and Mrs Deakin will present their conclusions in the *Free for All* programme on Channel 4 tomorrow. "We have been waiting a year to find out how the crew died and all we have got is three and a half pages of theory from the investigation branch," Mrs Deakin said.

"We have asked for a public enquiry and for the ship to be raised but got nothing, so we are going to try to find out for ourselves."



Jinxed ship: the Pescado at Plymouth, and its agent, Joseph O'Connor, who bought the trawler after it had sunk twice



Alternative view: Jo Deakin, left, and Rita Capon, editing their film investigating the case

Damages payout is frozen

The High Court yesterday froze all but £40,000 of the £240,000 libel damages awarded on Monday to the Russian émigré Vladimir Teinikoff over a letter to a newspaper which branded an article he had written as racist and anti-Semitic.

The bulk of the award will remain frozen by order of Mr Justice Boreham pending the outcome of an appeal by the author of the letter, Vladimir Manusevitch.

Mr Teinikoff, aged 55, of Highgate, north London, claimed that Mr Manusevitch's letter to *The Daily Telegraph* in February 1984 "devastated" his life.

Case referred

Evidence to an inquest on the death of Oliver Pryce, aged 30, of Wolverhampton, who died in police custody after being arrested in Middlesbrough, is to be referred to the Director of Public Prosecutions after the jury returned a verdict of unlawful killing.

Mast ahoj

A new 83ft mast for the Cuny Sark clipper in Greenwich has begun its journey by boat and lorry from Cowes by the Isle of Wight.

Worst verse

Joan Wallace, aged 49, of Nottingham, has won a place in the finals of a contest to find the world's worst poet, to be held in Paris in the summer.

Sale of note

A guitar owned by the flamenco guitarist Paco Peña was sold for £11,000 at Bonhams in Knightsbridge.

Low home valuations hit sales

BY RACHEL KELLY
PROPERTY CORRESPONDENT

LOW mortgage valuations by lenders are holding back a recovery in the housing market, according to estate agents.

Sales are collapsing after buyer and seller have agreed on a price, because the bank or building society lending to the buyer values the property for mortgage purposes at a lower level than the agreed price, the agents say. The seller is naturally unwilling to let the house go at the lower price.

"This is particularly happening at the bottom end of the property market among first time buyers," David Ware, president of the National Association of Estate Agents, said. "I'd say it is happening in up to 50 per cent of such deals."

Often the offer accepted is already well below the asking price, so a cut by a surveyor acting for the lender is a double blow to the seller who may well withdraw from the sale.

Buyers are also unwilling to pay more than a lender's valuation. If they do, lenders require them to pay for mortgage indemnity to cover the difference in price.

"I don't think it's the fault of the banks or building societies, who make their money from lending and want to lend, but rather one must look at the surveyors doing the valuations," Mr Ware said. "Between 1986 and 1988, surveyors had a good time and didn't have to be very professional."

Now surveyors have to be extra cautious in case property values come down even more, he said.

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Public still believes Major to be the best prime minister

By ROBIN OAKLEY
POLITICAL EDITOR

JOHN Major retains a strong lead over Neil Kinnock in the public's estimation of his prime ministerial capabilities, despite Labour's five-point lead in the latest opinion polls.

When people were asked who would make the most capable prime minister 42 per cent chose Mr Major, 28 per cent Neil Kinnock and 20 per cent Paddy Ashdown. The Conservatives retain a clear lead over Labour on leadership, but Labour is seen as having the best policies for Britain.

When people were asked which party had the best team of leaders, 40 per cent named the Tories, 30 per cent Labour and 9 per cent the Liberal Democrats. When respondents were asked which party was the most clear and united about what its policies should be, 36 per cent named the Conservatives, 29 per cent the Labour party and 14 per cent the Liberal Democrats.

But when they were asked which party had the best policies for the country as a whole 34 per cent named Labour, 32 per cent the Conservatives and 12 per cent the Liberal Democrats.

The Conservatives are seen as having the best policies on defence, law and order as well as in the key areas of taxation and managing the economy, the real battleground of this election. They lead 49-21 on defence, 40-24 on law and order, 39-33 on taxation and 36-30 on managing the economy. But Labour leads 51-24 as having the best policies for health care. Mr Kinnock and his party also lead on education (42-26), on unemployment (46-20) and on repl-

Capable prime minister?

When people were asked what were the two or three issues that would be most important to them in helping them decide who they voted for, the leading concerns were health care (44 per cent), unemployment (29 per cent), and education (29). This argues that the Conservatives have so far failed to lift to the top of the agenda the issues which they hope will determine the election outcome, taxation and the economy. Taxation has risen since the last Times/Mori poll only from 10 per cent to 13 per cent and managing the economy only from 11 per cent to 15 per cent.

Early indications on John Smith's shadow budget are unfavourable for Labour. Although polling took place on Monday, some of it before Mr Smith delivered his shadow budget, it was well known from the Commons budget debate that Labour intended to scrap the 20p tax band on the first £2,000 of taxable income introduced by Nor-

man Lamont. When people were asked if Labour should or should not put the new 20p income tax band back up to 25p nearly six in ten (57 per cent) said they should not. Just under a third (31 per cent) said they should. But people clearly do not care too deeply either way. When respondents were asked if Labour's pledge to put back up the income tax band would affect their voting intention, nine out of ten (89 per cent) said that it would make no difference.

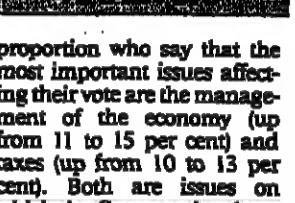
Of those few intending to switch their support as a result, 31 per cent said they would move to the Conservatives and 20 per cent said they would go to the Liberal Democrats, with 12 per cent switching to Labour in approval.

The latest Mori poll confirms the potential support for Paddy Ashdown and his party indicated in the previous Times/Mori poll a week ago. When people were asked how they would vote if they thought the Liberal Democrats were likely to win in their constituency, 35 per cent said they would support the Liberal Democrats, 32 per cent Labour and 29 per cent Conservative.

Labour's strongest card, the "time for a new act" argument, still has a potent pull with the electorate. When people were asked if they agreed or disagreed with the statement "It's time for a change", 69 per cent agreed and only 26 per cent disagreed.

Mori interviewed a representative quota sample of 1,099 adults aged 16-plus in 54 constituencies, face to face in the street on March 16. Data were weighted by sex. © Times/Mori.

Who do you think would make the most capable Prime Minister?



One poll victory does not make Kinnock's summer

By IVOR CREWE

HAS Labour made the decisive break? Labour's 5 per cent lead in the Times/Mori poll is its largest in any poll since early January. If repeated on election day it would give the party a small but secure overall majority of 19 seats on the assumption of a uniform swing and of 11 seats if local factors help the minor parties. Mr Kinnock would reach Downing Street without the help of the smaller parties and would probably stay there for five years.

But the results of a single poll must be treated cautiously. There are four reasons for Walworth road to keep the champagne bottles firmly corked. First, the 5 per cent lead can easily be explained by sampling error. The average of the last eight polls suggests that party support since the Budget has been running at Conservative 39.3, Labour 40.3, Liberal Democrat 15.8. The Mori poll is within the standard 3 per cent margin of error for each of the parties. It may be significant that compared with last week's Mori poll for The Times Labour support has risen at the expense of "Others" while Conservative and Lib-Dem support has stayed the same.

Secondly, Mori repeated many of the questions it asked in its previous poll for The Times last week. The replies are almost invariably within a percentage point or two of last week's, which suggests that public opinion has barely changed. The only shifts of opinion of even marginal significance are increases in the

proportion who say that the most important issues affecting their vote are the management of the economy (up from 11 to 15 per cent) and taxes (up from 10 to 13 per cent). Both are issues on which the Conservatives have a small but stable lead over Labour as the best party.

Thirdly, no event has taken place that could plausibly explain a sharp surge in Labour support. The interviewing for the Mori poll was conducted on Monday before most respondents could have learned about Labour's "shadow budget" or the Liberal Democrats' manifesto. A Harris poll for the Daily Express did half its interviewing on the 16th and reported a 3 per cent Tory lead. At least one of the polls is inaccurate, but there is no telling which.

It does not appear that Labour's most publicised pledge since the budget (and before Mori did its interviewing) — to restore the 20p income tax band to 25p — could be responsible for its 5 per cent lead. Mori found that voters divided 47 to 31 per cent against abolition of the 20p tax band.

Economic optimism

Do you think that the general economic condition of the country will improve, stay the same or get worse over the next 12 months?

| | Dec 1991 | Jan 1992 | Feb 1992 | March 1992 | (April 1992) |
|-------------------|----------|----------|----------|------------|--------------|
| Improve | 24 | 31 | 30 | 36 | (35) |
| Stay same | 31 | 32 | 31 | 32 | (32) |
| Get worse | 41 | 32 | 32 | 21 | (21) |
| Index of optimism | -17 | -1 | -2 | +15 | +14 |

Source: MORI

Red roses bloom in battle of bulletins

By OUR POLITICAL EDITOR

IF CAMPAIGN success is measured in column inches and by keeping your subject top of the television news bulletins, Labour has had the best of things, so far.

Labour opened on Friday with what Neil Kinnock does best, a full-blooded rallying speech to the Scottish party faithful. His castigation of the "selfishness and sourness" of the Tory years and his rhetoric about a Britain "free of the fear of falling ill, free of the fear of walking a dark street at night, free of the fear of being old and lonely..." secured the Saturday morning headlines.

Labour's lead

The Tories chose to open a day later with John Major's speech to an edgy Conservative Central Council in Torquay, hoping for equal domination of Sunday's headlines. Ministers now acknowledge a tactical mistake: the speech was always likely to be swamped, as it proved to be, by the deluge of opinion polls on the first weekend after the election was called.

Labour's campaign experience showed. The youthful Conservative Central Office team, which has given new snap to Tory campaigning, may be a little too television-oriented. They had set great store by the question and answer "people's conferences" in which the prime minister is meeting voters in a more intimate atmosphere. However, the first of these, on Sunday, after The Times had blown the secret on Saturday, proved not to be the sensation that they had imagined.

As one of the Kinnock team put it yesterday: "In a close election, it is dominating the news which matters." Again, on Sunday, the news story proved to be the preview of John Smith's "shadow budget", unveiled the next day to ensure Labour's domination of the headlines for the fourth day running. The Major talk-ins, suffering from the fatal flaw of invited audiences, were a sketch-writer's curio and a good



picture, not the stuff of which real news is made.

Labour may, none the less, have played into Tory hands. A basic rule in campaigning is to lift high in the agenda the subjects on which you do well. For Labour, that means health, education and public services. Instead of playing to those strengths, Labour has gambled. Rattled by Tory tax campaigns in January, which wiped out an earlier Labour poll lead, Mr Kinnock and his colleagues decided to risk tackling the tax issue head on, putting the reassuring John Smith with stories about the potential destruction of middle-class living standards.

The Conservatives, who had taken a tactical decision not to bring out their manifesto, as they could have done, on the day of Mr Smith's shadow budget, were convinced that they had taken the right decision. They believe that Labour has planted thoughts that will count against them as voters finger their wallets on the way to the polling booths. The Tory camp was happy to leave Labour with headlines such as the Daily Mail's "If you make it, they'll take it". Spare a thought for the Liberal Democrats, who always have to struggle to get their noses in. They had fixed Monday for their manifesto launch. When relegated to the "other events today" item in many bulletins, after lengthy analysis of Mr Smith's offering, they surely regretted their timing.

Swept away by a fuzzy blue avalanche

Deep in the heart of their Smith Square headquarters, the Tories have built a bunker out of leftover pieces of blue fuzzy-felt. The fuzzy-felt was part of a bulk order for their Blackpool conference, which featured a monster fuzzy-felt podium and a 100-yard fuzzy-felt way wall. The bunker is for campaign press conferences. Tuesday was John Major's first.

Stage, table and backdrop were all in the blue felt. The carpet being blue through-out, the chairs blue as well and the ceiling completely covered in blue fabric, the overall effect for journalists was of being trapped in an ice-cave.

From one end of the cave, Mr Major read a long prepared statement about education policy, with dramatic moments such as: "And I'm also very pleased we now have a pay review body" (very pleased?), and Kenneth Clarke, the education secretary, took as through just a few of the "39 steps to higher standards" he proposed.

It was 8.30am. To get in, I had been obliged to submit my bicycle crash-helmet for X-ray. There was no free coffee. If you can imagine sitting in a fuzzy-felt ice-cave with an X-rayed crash helmet at your feet and no coffee, being lectured by Kenneth Clarke on his 39 steps to



higher standards, then you will share my sense of fuzzy-felt. The best we can say is that Mr Major took questions with pleasant informality, and poised the worst, that it was dull.

The avalanche was the bright spot. This was the "avalanche of applications for grant-maintained status" which would sweep down, Mr Clarke predicted, once the Tories had won the election.

Mr Major, whose prose tends to caution where Mr Clarke's tends to swagger, looked a little flustered at the prospect of an avalanche. Asked by a journalist how the phenomenon would be faced, he hesitated.

"The avalanche will come over a period." "A flood," Mr Clarke added, helpfully. We considered the concept of flooding by staged avalanche.

Minds moved to the next event: a press preview of the latest party political broadcast. The Journey — a Film of John Major, directed by John Schlesinger. You can watch this tonight.

But, in my experience, the things that don't work on television (this bit doesn't) are the things which were not contrived. The impromptu needs rehearsal.

We flash from car back seat, John in glasses, to Brixton, John in glasses, to Huntingdon (nice sweater, and glasses), and back. What does he look like without glasses? Does Norma know?

There are some dollops of political wisdom, too long, but also this interesting, if oblique, remark: "People are entitled to their own views, their own instincts... it's quite wrong to try to pigeon-hole everybody..."

"People are individuals, they have their own instincts, they have their own feelings. As a matter of privacy, I think that is predominantly for them." Though open to correction, I take this to embrace a coded plea for sexual toleration. Reviewing such a text, Margaret Thatcher would have declined the passage with the query: "What is this supposed to mean?" and struck it out.

Then we see Mr Major shaking hands with Nelson Mandela, with a fishmonger, and with President Bush. There is a burst of Purcell. We enter the doors of Number 10. Mercifully, the prime minister has put down his tomatoes.

'A now or never time for Scotland'

This is a now or never time for Scotland — time to stand up and be counted. Sean Connery, actor and member of the SNP.

They're proven, they're practical, they're radical. They're the best future for Britain's schools.

Kenneth Clarke on Conservative education proposals.

Every other party has succumbed to 'leaderism' rather than relying on values and ideas.

Michael Meadowcroft, former Liberal MP, who will stand for election in Leeds West.

They are making proposals now to make changes to which they would never subject their own children.

Neil Kinnock, on Conservative education proposals.

A repeated B-movie with no thrills or surprises.

Doug McAvoy, general-secretary of the National Union of Teachers, on the Conservative manifesto for education.

Everyone knows cosmetic changes simply do not do the trick. It is like putting lipstick on a pig-bull terrier. What is underneath is still pretty ugly.

And pretty vicious.

Peter Lilley, trade and industry secretary, on Labour's trade union policy.

London is becoming a significant asset for the Liberal Democrats while it remains a potential drag factor for Labour.

Paddy Ashdown in London.

I'm not sorry that I shall never be seeing some of it again. A great deal of it is deceit and hypocrisy.

Sir Charles Irving, retiring Tory MP for Cheltenham, on the House of Commons.

The classic ingredients for recovery are in place.

Chancellor Norman Lamont on the BBC's World at One.

The figures are disappointing, but I don't think it's right to say that there are no signs of an end to the recession.

Chancellor Norman Lamont on Channel Four news.

The impediment that lies between us and people beginning to reinvest and lift out of recession is the general election result.

John Major in Lincolnshire.

I was unemployed and I remember vividly what it was like to spend your mornings looking for a job often vainly and your afternoons wondering what would happen the next day.

John Major in the Conservative party political broadcast to be shown tonight.



It is no good a Chancellor talking about Lx handouts if the enterprise culture dies.

David Mellor, Treasury chief secretary.

My dad likes you best, better than John Major.

Gary, aged seven, to Neil Kinnock.

After the election, there will be an avalanche of applications for grant-maintained schools.

Tim Eggar, education minister.

MP happy to leave 'deceit' behind

By ARTHUR LEATHLEY

ALL those hopeful candidates wearing out their shoe leather on the election trail to Westminster may ponder today the sobering words of one retiring MP. The House of Commons is dismissed as a forum of "absolute deceit and hypocrisy" by Sir Charles Irving.

"I'm not sorry that I shall never be seeing some of it again," Sir Charles said after his fourth term as Conservative MP for Cheltenham. "When I was elected in 1974, I rated the House of Commons a very civilised place in its behaviour. I think behaviour has deteriorated a lot since then."

Sir Charles, aged 68, never achieved ministerial office. A

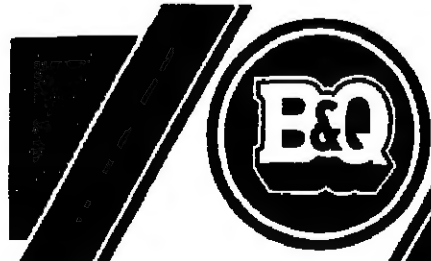
former hotelier, his highest profile was as chairman of the Commons catering committee.

He said that his worst period as an MP was in 1974. "We practically had a hung Parliament and thank God I shall never be part of one again," he said. "In those days, we were dragged into the House from our hospital beds to vote because the balance was so close."

The Tory candidate to succeed Sir Charles is John Taylor, a black barrister whose selection caused a dispute in the local party. The Liberal Democrat candidate is Nigel Jones, and Labour's is Pam Tallow.

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Battle over economy sharpens

Ministers line up to attack Labour's 'vindictive' budget

BY ROBIN OAKLEY AND NICHOLAS WOOD

THE battle over the economy sharpened yesterday as Neil Kinnock accused the Conservatives of being a "do nothing government" in the face of the recession. John Major and Paddy Ashdown both criticised Labour's shadow budget, with Mr Major saying that it was vindictive.

As new official statistics confirmed Britain's falling production, Gordon Brown, the shadow industry minister, predicted a further 500,000 increase in unemployment this year unless policies were changed. Britain, he said, was losing a job every 12 seconds of the working day, with a business going under every three minutes.

Mr Kinnock said that Tory policies had put the economy into reverse. "The Tory party that brought the recession still has no positive plans to pull Britain out of it," he said. "In the face of collapse in investment, skill shortages, rising unemployment, record business failures and rock-bottom confidence, they do nothing. They have not a single useful initiative to offer the economy in recession."

Mr Major called John Smith's shadow budget "vindictive and self-defeating", saying that it would create a brain drain. Middle income earners, he said, would face an unprecedented tax seizure under the proposals.

Other ministers sought to pick holes in Labour's tax and spending programme, arguing that the "phoney budget" was looking more threadbare by the minute. They targeted the £8 billion of privatisation proceeds that Labour included in its calculations when it was opposed to selling off state assets. They also accused the Opposition of breaking a pledge not to take money from 4.5 million private pension holders who have opted out of Serps. Their average income was only £9,700 a year.

Tony Newton, the social security secretary, said that Mr Smith had failed to clear his "raid" on pension holders with Michael Meacher, the shadow social security secretary, who had promised that there would be no losers. Mr Major added: "The essential point of the classless society is that it provides a proper ladder for people to move up, with incentives, opportunity and choice. Mr Smith has at the end of the ladder not an incentive, but a penalty."

appear to say they oppose privatisation, yet they appear to ignore £8 billion of privatisation receipts for 1992-3. Would they cut spending by £8 billion or increase taxes by £8 billion?"

Mr Major told a London press conference that the shadow chancellor's budget would hold back economic recovery and deter young people from entering the professions. Those hit would not be the "silk top-hatted rich" of Labour demonology but headteachers and their deputies, senior nurses, police sergeants and family doctors.

Mr Smith had "scrapped a low tax band and introduced a high tax band", replacing incentives with penalties for success, he said. "He introduced the largest ever increase for the middle class on middle incomes — not rich people but people on relatively modest incomes — that we have ever seen in this country." Labour's plan to scrap the £21,000 ceiling on national insurance contributions would cost primary school headteachers £560 a year, secondary school heads £1,550, hospital registrars £517 and GPs £1,700.

"Quite apart from these figures, what sort of opportunity and incentive does that give the young people who seek to improve their position and these professions in the future? What sort of signal does it give them as to whether they are best to ply their trade and offer their skills to this country or to take their skills abroad?"

Mr Major also attacked Labour's plan to scrap the 2 per cent rebate for 4.5 million private pension holders who have opted out of Serps. Their average income was only £9,700 a year.

Tony Newton, the social security secretary, said that Mr Smith had failed to clear his "raid" on pension holders with Michael Meacher, the shadow social security secretary, who had promised that there would be no losers. Mr Major added: "The essential point of the classless society is that it provides a proper ladder for people to move up, with incentives, opportunity and choice. Mr Smith has at the end of the ladder not an incentive, but a penalty."

At his morning press conference in London, Mr Kinnock would not be drawn on how quickly unemployment would fall under a Labour government, saying: "There is no switch that can be thrown to bring the economy from long recession into immediate recovery." Mr Smith also refused to put a time scale on how soon Labour's proposals would dent the jobless figures.

Norman Lamont, the Chancellor, interviewed on the BBC's *The World at One*, said that the latest manufacturing output figures, published yesterday, were disappointing. "We always knew this period between January and the end of last year was a difficult period for business, but there are more encouraging signs since then, more up to date. It is true the classic ingredients for recovery are in place."

"We have consumer figures for spending that are really quite good. They have been showing a gradual and modest increase. I have always said that consumer spending is vital to the upturn. Consumer spending will be absolutely clobbered under Labour party taxation proposals."

Asked if the economy had reached the bottom, he said: "We will not know precisely when the bottom was reached until we have the GDP figures we have not yet got. Asked if recovery had started, he said: "I would not accept that the only thing to look at is manufacturing. You have to look at the total economy."

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Investment aim: Marjorie Mowlem, Labour's City spokesman, who says her party can tackle the recession

Business help promised

BY ROBIN OAKLEY

A LABOUR government would immediately set up a small-firms investment scheme for manufacturing and give small firms assistance in becoming exporters, Gordon Brown, Labour's industry spokesman, said yesterday. Firms would be given grants of up to 25 per cent of the cost of investment in production technologies, including information technology.

The scheme, limited to £40 million, would run initially for six months. Mr Brown also told a London press conference that in the first year of a Labour government, regional development agencies would be created in England and those in Scotland and Wales would be strengthened. Labour would begin "a new programme for clearing industrial dereliction and preparing new industrial sites to encourage new inward investment to our regions". Banks and financial institutions would be "invited" to work with development agencies to boost long-term industrial investment in the regions.

Mr Brown said that, with the 1992 single European market in mind, Labour would offer special export advice to small and medium-sized firms by creating regional export services. Promising to reinvigorate a "do-nothing department of trade", Mr Brown said that Labour's proposals for new fiscal incentives and grants would begin a new investment decade for industry to reverse the fall in manufacturing industry since 1979.

The small business plan was part of Labour efforts yesterday to counter the cool response from business to John Smith's shadow budget. City analysts have expressed doubt about Labour's investment proposals, agreeing that companies might bring forward investment but suggesting that costs to the Exchequer would outweigh any benefits. The Institute of Directors said that the manufacturing investment initiative might only suck in imports. Labour's tax package was dismissed by City analysts as likely to deter inward investment.

Neil Kinnock told the press conference that Labour's budget was "responsibly reflationary" and less prone

than the Tory Budget to being undermined by a significant rise in imports. He said: "Because of the way we have directed a great deal of our budget reallocation to pensioners, families with children and those on below-average incomes, the likelihood is that they will be spending on necessities." These were less import-prone.

Marjorie Mowlem, Labour's City spokesman, said that Ernst & Young, the accountancy firm, had put Labour's budget through the Treasury computer model and found that, although investment next year would be 3.5 per cent under the Conservatives, it would be 5.1 per cent with Labour's package. "It is this which will make the difference in pulling us out of recession," she said.

Neil Kinnock told the press conference that Labour's budget was "responsibly reflationary" and less prone

Beith challenge to Labour

Alan Beith, the Liberal Democrat Treasury spokesman, challenged the Labour leadership yesterday to spell out its plans for the estimated £11 billion of privatisation receipts, mainly from the sale of some of the remaining shares in British Telecom and British Gas (Sheila Gunn writes). He cited the failure of John Smith, the shadow chancellor, to disclose his plans for the existing programme of share sales and further privatisation as an example of the unanswered questions in Labour's budget.

"The largest hole in Labour's arithmetic is their failure to say how they will make up for the £11 billion of privatisation receipts the government will receive," Mr Beith said. "Liberal Democrats are prepared to sell the government's remaining shares in the privatised utilities, but Labour's policy requires them to keep those shares."

Families 'will gain' in budget

Labour's shadow overseas development minister, Ann Clwyd, said that independent analysis showed 82 per cent of Welsh families would gain from John Smith's alternative budget — and only 5 per cent would lose out.

She highlighted the plight of low income families in her Cynon Valley constituency which official statistics say is one of Britain's most deprived areas.

"More than 60 per cent of households in the valley are having to manage on £4,000 a year or less. That is real poverty in UK terms and the effect of unemployment and the rundown in services like health has been devastating."

'Revolution' in training

A training revolution is taking place, claims Michael Howard, the employment secretary. He said in Birmingham that government spending on training had increased by two and a half times the rate of inflation, employers' investment in training was also at a record high, and the new national network of training and enterprise councils was ensuring that training was tailored to local needs.

Tax changes would take middle road

BY NICHOLAS WOOD AND JILL SHERMAN

PADDY Ashdown yesterday joined the attack on Labour's budget proposals by dismissing them as a "timid mouse" that would do nothing to end the recession.

"Under Labour, the recession would continue, vital investments would be ignored, and many people would still have to pay swingeing tax rates that depress enterprise," the Liberal Democrat leader said.

However, the centre party is also planning a big increase in taxes on the better off. It wants a top tax and National Insurance rate of 50 per cent on earnings above £50,000. The figure is between the 40 per cent income tax levied by the Conservatives and the effective 59 per

LIBERAL VIEW

cent proposed by Labour. The higher tax take from the better off will be used to pay for increased benefits for pensioners, families with children and those caring for sick or disabled relatives.

The long-term aim is to merge the tax and benefits system and to create an income floor worth at least £12.80 a week for all, whether they are in work or not. The money would be paid to mothers who stayed at home to look after their children. The centre party would also encourage employers to give working mothers tax-free child care vouchers.

The Liberal Democrats in-

tend to scrap the £21,000 earnings limit on National Insurance contributions (Nics) of 9 per cent and merge Nics with income tax to produce a unified tax collected and administered together and paid on the same income, whether from earnings, investments, capital gains or perks."

To raise extra money for education, the basic rate of income tax would be raised to 26 per cent, making a combined rate of 35 per cent for most people. The manifesto estimates that 80 per cent of taxpayers would be on that rate.

The better off face sharply increased taxes. On earnings above £33,000 the combined rate would be 42 per cent (33

per cent income tax and 9 per cent Nics). The top rate of 50 per cent (41 per cent plus 9 per cent) would cut in above £50,000 a year.

"Pensioners and ordinary savers will not pay the 9 per cent Nics element on their incomes. Special provisions will also ensure that those on modest incomes most of which comes from investments, such as people who have been made redundant, do not pay the 9 per cent on their savings," the manifesto says.

The gross cost of the benefit proposals would be £4.3 billion in the first year, rising to £5.9 billion in the second year, but all of that would be offset by savings from tax reforms.

MEDIWATCH by Brian MacArthur

Smith scores a hit on the press

Suddenly the whole tenor of the election campaign has changed. Until Monday, thanks to the lavish expense accounts provided by their long-suffering proprietors for "entertaining contacts", Fleet Street journalists had been used to living as if they were rich in a company car, the odd lunch at the Savoy, an annual free holiday in the Bahamas from the travel editor — on what they have always considered rather meagre salaries.

That was why a collective shudder rippled through the journalists assembled to hear John Smith deliver his budget on Monday when he announced proudly that everybody earning under £22,000 a year would be better off. It didn't take long for the implication to sink in on the political hacks. Anybody earning more than £22,000 was therefore going to be worse off — and Fleet Street journalists (who command average salaries of well over £30,000) are not only going to be seriously worse off but many will also get caught by Mr Smith's proposed 50p tax band on earnings over £36,375.

Only half-jokingly one of John Smith's aides had suggested that when journalists stood up to ask questions about the Smith budget they should not only state their name and paper but also their salary. That wasn't necessary. All any reader of *The Daily Telegraph* had to do yesterday to get the message was to note the inverted commas in its main front page headline: Labour seeks to raise tax on "better off". People like us? "Better off"? You must be joking. "This is an attack on engineers, doc-

tors, middle managers and small businessmen, not just pop stars and dukes", sniffed the *Telegraph* leader writer without mentioning the fate of its own well paid journalists.

The same point was put with stark clarity and what almost looked like sorrow in *The Independent*, whose founders have risen from the ranks to become millionaires thanks to the Thatcher years.

Labour "says that it is fair for the rich to pay more for better pensions and child benefit", it said. "But how many people on £30,000 (1.75 times average earnings) with a family and big mortgage think of themselves as rich?" If Labour failed to oust this "unpopular" government, *The Independent* added, it would largely be because Mr Smith refused to think again about imposing taxes of "unprecedented severity" on middle-class incomes.

At the last election, *The Independent* maintained its independence by refusing to endorse any party and it has so far given no clue — except for that word "unpopular" — to its inten-

tions this year. Yesterday, however, it seemed to be saying that Monday was the day Labour lost the election.

Another paper still to declare its position is *The Guardian* whose choice will be between Labour and the Liberal Democrats. If that decision is hovering on an endorsement for Labour, *The Guardian* was as worried as *The Independent*. Most of the pain of the mortgage-stricken middle classes would be real, *The Guardian* argued. There was a "desperately finite" limit to the number of those Labour could afford to alienate. Chancellor Smith did rather well — but the would-be Chancellor Smith had some nail-biting yet to do.

Only *The Times*, so far as I could detect, made the important point that in most of the country outside London a pay packet of £22,000 a year was high. "The £40,000-a-year threshold for Mr Smith's top band of 59 per cent tax-plus-national-insurance is more than the average headmaster or country solicitor earns."

Media, L&T section page 6.7

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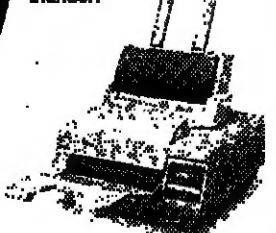
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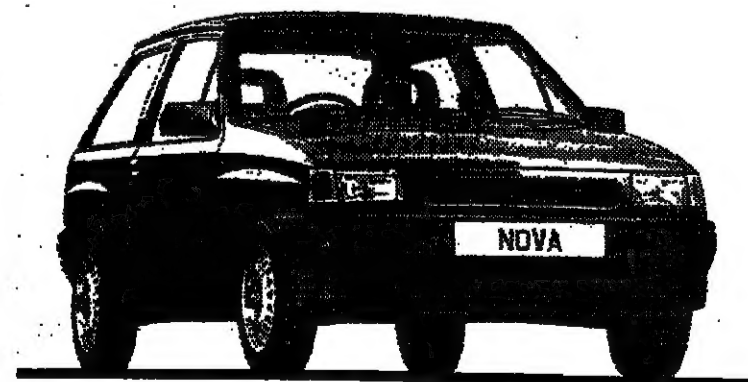
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Silence over foreign policy hides a strong Tory hand in the campaign



Hurd: one of strongest cards in Tories' pack

Douglas Hurd may have a frustrating election. He is one of the Tories' strongest cards, but he may not have the chance to show all his strengths.

Foreign policy is unlikely to be a central issue of the campaign. There could, of course, be a surprise crisis that might favour the Tories — although military action over Iraq is not expected in the next three weeks, and the next moves against Libya over the Lockerbie bombing are likely to involve a United Nations resolution cutting off air traffic. President Bush is unlikely to time any air strikes to suit the British, rather than the American, election.

Mr Hurd is not a natural headline-grabber. His style appeals more to the thinking than the drinking classes — one reason why he trailed in the Tory leadership election in November 1990. Last Friday, at the Conservative central council in Torquay, he jokingly wondered whether he was the slow movement, or perhaps the meat in the sandwich, when his speech was put between Michael Heseltine's and Jeffrey Archer's. His

RIDDLE ON THE ELECTION

campaign role will be as the voice of reasoned debate, slightly above the party fray, in contrast to the barnstorming Mr Heseltine. To his amusement, Mr Hurd has been told by John Major that he "should not get into the gutter" — an unlikely prospect.

Although voters may soon be fed up with arguments about tax and the economy, they are unlikely to get much chance of firing off debates about foreign policy. Only one joint television discussion has been arranged and Labour is not planning any news conferences on the issue. That makes sense for Labour and is frustrating for the Tories. Recent Mori polls show that barely 1 or 2 per cent of voters cite foreign policy or Europe as among the two or three most important issues. The Tories have enjoyed a large advantage as the best party to handle these issues, and Mr Hurd is strongly preferred over Gerald Kaufman.

These personal qualities matter since the choice over foreign policy is as much one of people as of policies. This is, in part, because the broad approaches of the two parties have converged following Labour's switch to embrace the European Community and to accept the retention of a nuclear deterrent. Even on Europe, the contrasts can be exaggerated. Both parties have made enlargement of the Community a priority. The Tories have turned their rejection of the social charter into a grand symbol of their opposition to Jacques Delors' federalism, and of Labour's willingness to accept them, but the differences are mainly limited to mandatory new requirements on business.

Labour's five-point plan for the British presidency of the EC from July would undoubtedly move EC policy more in an interventionist direction, on the social charter, a new Community strategy for growth and an environmental initiative, than the Tories' would. But it does not represent an irrevocable step towards political

union. On economic and monetary union, the two parties are nearer than they like to pretend. For the sake of party unity, the Tories say that they will not decide until the late 1990s whether to join a single currency, while Labour's commitment in principle to participating is qualified by its insistence that Parliament will have the final say. At the time the decision will depend on whether the convergence conditions have been achieved.

Asked about differences other than Europe, a senior Labour official merely listed higher priorities for human rights, for disarmament talks among the eight main nuclear powers, greater democracy in Hong Kong and environmental protection in Antarctica.

In practice, what often matters more is the response to unforeseen crises and handling of negotiations; experience, judgment and a sure touch rather than promises. Here, as all polls show, the Tories have a clear advantage. They can, and often will, point to the successes of the Major/Hurd team in dealing with the Gulf war, the

Kurds, the Commonwealth summit, support for Boris Yeltsin and the Maastricht summit.

The Tories emphasise the need for such experience in the light not only of the British presidency of the EC but also of several other international meetings in the second half of the year.

While all prime ministers tend over time to become increasingly interested in foreign affairs, Neil Kinnock would initially be bound to concentrate on domestic issues and rely heavily on his foreign secretary. The differences between Mr Hurd and Mr Kaufman could hardly be greater. Mr Hurd has always looked the part as foreign secretary, the job he always wanted and was for long denied by Margaret Thatcher. He is a reassuring figure, the ultimate safe pair of hands, seldom showing emotion and viewing international upheavals through the detached and slightly world-weary prism of an historian.

By contrast, Mr Kaufman has an infallible knack for irritating opponents and those who do not

know him. He is the extreme case of a politician behaving differently in private and in public. In private, he is charming, witty and well informed. In public, he never underestimates, expressing outrage and maximising differences to the point of acrimony. He has good judgment, as he showed in masterminding the change in Labour defence policy, but he does not always show it publicly. He is an unsympathetic performer on television; we will not see much of him on our screens during the election.

Senior diplomats, who were delighted when Mr Hurd took over from Mr Major, often express dismay at the prospect of Mr Kaufman as foreign secretary, although he has recently had contacts with senior officials at the Foreign Office. While they might be disturbed by Mr Kaufman's often acerbic style, they would be wrong to underestimate his ability.

But in any choice of foreign secretaries, Mr Hurd has the edge as one of the pillars of the government.

Peter Riddell

Ulster Tory offers policy contrast

BY EDWARD GORMAN, IRELAND CORRESPONDENT

LAURENCE Kennedy, who has the best chance of being the first Northern Ireland Conservative MP, yesterday outlined his election strategy and views on the future of the province, which differ sharply from the party mainstream.

At a press conference at a seafront hotel at Bangor, County Down, Dr Kennedy — who escaped a republican murder attempt last November — claimed that his vision of the future was in harmony with most Conservative thinking.

He said he wished to see Northern Ireland governed in exactly the same way as the rest of the United Kingdom, with local government structures no different from those of Wales, Scotland and the English regions. He wants legislation by Orders in Council scrapped and replaced by ordinary bills, and he wants to see the setting up of a select committee at Westminster. He said he did not agree with the search for a new legislative devolution administration in Belfast, but would seek to take part in

further inter-party talks if elected. He believed his presence would itself change the agenda for those talks.

Dr Kennedy, who is hoping to wrest the predominantly middle-class North Down constituency from Jim Kilfedder, the Ulster Popular Unionist, claimed none of the above conflicted with Conservative thinking. "That is all acceptable within Conservative policy and you will not find a Conservative minister saying it is not," he said.

He argued that official policy stated merely that the party wished to see more power and responsibility returned to locally elected representatives in Northern Ireland and that it was no more specific than that. In his support, he quoted integrationist remarks made in the past six months by Douglas Hurd, the foreign secretary, Chris Patten, the party chairman, and Lord Mackay of Clashfern, the Lord Chancellor. However, Dr Kennedy's

views — which bear a strong resemblance to those of Jim Molyneux, leader of the Ulster Unionist party — are clearly at odds with the aims and objectives pursued by Peter Brooke, the Northern Ireland secretary, during the past two-and-a-half years, which were supported by the prime minister. They emphasise the contradiction at the heart of the decision, reluctantly accepted by some senior figures in the party, including Mr Brooke, to admit Northern Ireland Conservatives to the party and indicate that some might find Dr Kennedy's presence on the back benches a political embarrassment.

Dr Kennedy, aged 44, a consultant specialising in diabetes, is one of 11 Conservative candidates fighting a Westminster election for the first time in the province, but the only one with a realistic chance of succeeding. North Down is a prosperous area to the east of Belfast, sometimes known as the "gold coast", which has been the most fertile ground for Conservatives who are the largest party on the local council with six of the 23 councillors.

While Mr Kilfedder, who commands considerable loyalty, remains the favourite, his vote will be split four ways between himself, Dr Kennedy, Addie Morrow, of the Alliance, and Danny Vitty, of the Democratic Unionist party. Mr Kilfedder, Dr Kennedy and Mr Morrow are all broadly Unionist, appeal to a middle-class electorate and each has a fighting chance. The DUP also believes it can take the seat drawing on natural support for its Paisleyite brand of Unionism in the housing estates of Bangor, and parts of Belfast.

Dr Kennedy has not been able to return to work at the Royal Victoria Hospital on Falls Road since four members of the republican Irish National Liberation Army tried to kill him last November. They burst into his home at Holywood in County Down and, after tying up his wife Sarah and two children, lay in wait for Dr Kennedy who was returning home from work. The attempt was foiled because Mrs Kennedy pressed a panic button linking the house to the police.



Youth vote: Elenor Bonner-Evans, aged 21, the youngest candidate to be declared for the election. Miss Bonner-Evans, a student union leader, is standing for Plaid Cymru in Swansea East, held by Labour's Donald Anderson with a majority of 19,338 in 1987. She is an economics and politics graduate of University of Wales, Aberystwyth, and is president of the National Union of Students in southwest Wales. "I don't think my age matters," she said. "If the ability is there, young people have a tremendous amount to offer." It is the first election in which she has been eligible to vote.

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Rebel rosette: Elaine Browne pinning a rosette on her husband John, Winchester's former Tory MP, who is standing as an independent

Connery ventures into election jungle

BY KERRY GILL

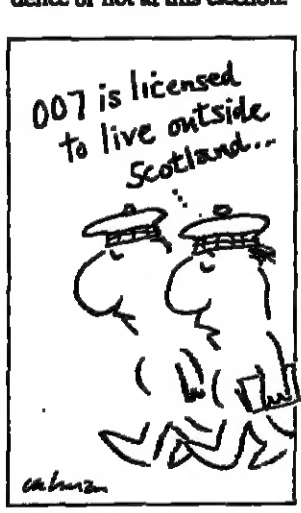
THE Scottish National party played the ace in its electoral pack yesterday by disclosing the contents of an interview with Sean Connery, who earlier this year became the party's most famous member when he joined its Edinburgh Newington branch.

Mr Connery's first foray into the election jungle, in which he urged Scots to rid themselves of the "old, outdated union" with England, came as the SNP launched regional campaigns to promote its main policy of independence in Europe. Alex Salmond, party leader, said that Ian Lang, the Scottish secretary, was "Scotland's colonial governor".

The nationalists are determined to capitalise on the recent resurgence in popularity of independence. In spite of support for independence having fallen from 50 per cent in January to about 37 per cent, the SNP sees Labour and its limited devolution policy as its main target.

Mr Connery said: "I can't imagine that anybody who is from Scotland can't want to

be independent, that they can't want their own identity and nation. It's time for self-confidence... I'm attempting to draw attention to the fact you cannot get independence without voting SNP. Devolution with an assembly is a mish-mash. It's independence or not at this election."



Calm city in a Browne study

BY JOHN YOUNG

IN NORMAL times, Winchester is the most tranquil of places, its narrow streets, largely freed from traffic, basking in the shadow of the cathedral. But politically at least, these are far from normal times.

Thanks to the activities of its deselected MP, John Browne, this long-time Conservative stronghold has been rent asunder and appears to be in imminent danger of surrendering to the Liberal Democrats.

The plastic sheathing on the scaffolding surrounding the cathedral tower shivers in a fitful spring breeze. Inside, the organ thunders and the choir exhorts worshippers and tourists to keep a sharp lookout for the troops of Midian as they prowled around.

According to your viewpoint, the provokers might be the supporters of Mr Browne, those of his official opponent, Gerry Malone, or their political opponents waiting to pick up the pieces.

Whatever people might think of the controversial Mr Browne, he is not a man to give up without a fight. When he announced last week that he proposed to stand as an

independent, a furious party leadership retaliated by withdrawing the whip. Richard Ryder, the government chief whip, wrote to Mr Browne, informing him that he was no longer welcome as a member of the parliamentary party, and that in the "unimaginable" event of his being re-elected, the Conservative whip would never again be extended to him.

Mr Browne's response was that he was consulting his lawyers to determine whether Mr Ryder had, inadvertently or otherwise, interfered with the election process by sending the letter after he had already resigned the whip.

Over the past four years Mr Browne's conduct has attracted wide condemnation. First there was the unfortunate business with his former wife, whom he pursued in the courts after she had fallen behind with payments on a £270,000 settlement awarded after their divorce in 1984. Not the way for a gentleman, a public schoolboy and a former Guards officer to behave, it was said.

Then, in 1990, a Commons committee decided that he

was guilty of failing to disclose all his outside financial and commercial interests and he was suspended for 20 days. Mr Browne said he had been made a scapegoat and subjected to a show trial.

There have been further ructions, with the reported resignation of the party agent, Pat Phillips, after she was rebuffed for allowing an article by Mr Browne to appear in an internal publication. Felicity Hindson, the association chairman, insists that Mrs Phillips is simply on sick leave.

Mr Browne's troubles have continued. Yesterday the association rejected his plea that his name should be allowed to go forward as the candidate before Mr Malone is officially adopted tomorrow. It also became known yesterday that his secretary, Michelle Lawrence, had resigned, saying she could no longer support him.

But whatever the view in Westminster and elsewhere in the country, Mr Browne continues to command a significant degree of local support. Among those strolling in the cathedral precinct, the attitude seemed to be a suitably Christian "Judge not, that ye be not judged."

VOX POP by Peter Barnard

Cheery Blair just keeps on smiling

The time when the voice of the people, to incorporate this column's title, was heard only silently and behind a curtain on election day has long gone. In this election, television coverage is particularly prone to the phone-in device, with the BBC and independent television daily using viewers as contributors.

This can be good fun or a waste of time depending on whether one of these slots occasionally produces a yorcker bowled down a telephone line to a politician caught flashing outside off stump. Snow in August may be a better bet.

ITN is setting aside a segment of *Lunchtime News* for this purpose and yesterday the batsman was Tony Blair. Labour's employment spokesman. No question so far invented can cloud Mr Blair's open countenance: he is undoubtedly one of Labour's top television assets. The only thing disturbing me

was the feeling that Tony Blair answering the electorate sounded familiar. Three hours is a long time in television politics but the solution finally dawned, although not before the memory had played one trick. I kept associating Mr Blair with *Playdays*, a children's programme that goes out at 10.05am. Yesterday, *Playdays* began with an item about steam trains in which a fresh-faced boy looking portentous was allowed into a signal box where he pulled on levers and in other ways took up a degree of power previously only dreamt about.

No wonder I was confused. This rather neat piece of scheduling had meant that *Playdays* followed *Election Call*, in which the fresh-faced Mr Blair made his first appearance of the day, answering questions from viewers about how he would pull

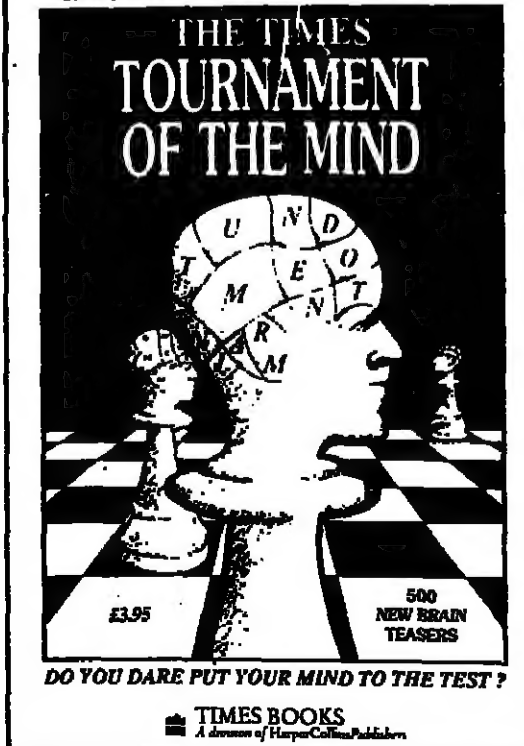
the levers of a power previously only dreamt about. The main difference between the leading players in these consecutive programmes was that the little boy performed with due solemnity whereas Mr Blair was wearing his familiar smile, an all-weather item impervious to doom. He even recites the allegedly dreadful Tory record in a way that suggests this state of affairs would only be a serious problem if Labour were not a mere three weeks away from taking over the signal box.

The BBC phone-in will go out every day in place of *Kilroy*. This is but a minor change to the schedule, replacing a former MP with existing ones who may soon be former. The programme is a "simulcast", meaning we can listen to it on Radio 4 as well as watching it on BBC 1. I must not give the exhausted remote control a

rest for the day without some mention of Anthony Howard, the *Newsnight* pundit who on Monday night produced the fastest bit of television criticism I can recall. I had dashed from a stilted *Panorama* on BBC1 to find Howard on BBC2 being asked by Jeremy Paxman what he had made of the "three chancellors" (Lamont, Smith and Beith), who were interviewed on *Panorama* by David Dimbleby. This, incidentally, was only the second sighting of a Dimbleby since the election was called.

Howard gave it the thumbs down. "An over-rehearsed contest" was what he called it, adding that "the set isolated the protagonists". It was indeed an oddly sparse set. In fact, there seemed to be more physical than philosophical distance between the contestants, which goes to show how illusory a television debate can be.

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Major opens door to more selective education in Tory '39 Steps' manifesto

Choice and diversity get top priority

By NICHOLAS WOOD, POLITICAL CORRESPONDENT

THE prospect of a modest increase in the number of grammar schools was held out by the prime minister yesterday as the Conservatives unveiled the education section of their manifesto a day early.

They also announced that small schools would be allowed to band together to apply for grant-maintained status outside the control of councils.

John Major said he expected that parents in some parts of the country would take advantage of the rule allowing grant-maintained comprehensives to change their character and select their pupils on academic grounds. However, he framed his remarks carefully for fear of lending credence to Labour claims that the Tories plan to revive the 11-plus by the back door.

"I think there may be some more grammar schools," he said. "We are in favour of choice. This is not going to open the door to huge numbers of grammar schools right across the country replacing the comprehensive system. But in terms of

choice, there may well be occasions when schools may perhaps wish to seek grammar school status."

Kenneth Clarke, the education secretary, made the promotion of choice and diversity in education the main theme of the manifesto and the chief task for a fourth term. He predicted an avalanche of applications for grant-maintained status if the Tories won the election.

He highlighted the manifesto's vision of parents choosing from a variety of schools suited to the differing aptitudes and interests of their children. They would include grant-maintained schools of various kinds, city technology colleges, and secondary schools with a strong technological bias.

Mr Clarke said that he wanted to encourage comprehensives to build expertise in subjects including the arts, drama, modern languages or competitive sports.

The pledge to allow small schools to band together to apply for grant-maintained

status is aimed chiefly at extending the option to small village primary schools.

The manifesto confirms that popular schools will be given extra funds to build new classrooms and admit more pupils, for which the government has set aside £20 million.

The changes are among "39 steps to higher standards" that will guide the Tories through another five years in power if they win the election. As the prime minister made clear yesterday, with so many of its reforms newly in place, a re-elected Tory administration would be mainly concerned with implementation of measures such as the national curriculum, regular testing of pupils, information for parents on pupil and school performance, and adding to the 200 schools that have opted out of council control.

Labour derided the Tory plans, with Neil Kinnock saying that the 39 steps were "a work of fantasy" but not as good as the John Buchan novel. Mr Major could not be taken seriously on education in the light of his record of perpetual experimentation in schools, the fall in reading standards, crumbling buildings and oversized classrooms, he said.

Taken in the round, the

present and planned changes to education will revolutionise the system and amount to the biggest upheaval since the 1944 Education Act, Mr Major said.

Blaming "fashionable" educational theories peddled by Labour local authorities for undermining standards, he said that the battle lines were clearly drawn between "Conservative choice and opportunity and socialist doctrine and dogma".

He deflected questions about cabinet ministers sending their children to private schools by saying that his aim was to ensure that everybody "will be able to send their children to state schools with absolute confidence". The freedom to educate a child privately was fundamental to a free society, he added.

Mr Clarke said that the government planned to change rules that stopped over-subscribed schools from expanding their premises to accommodate extra pupils.

"We propose to change the rules. If a popular school can demonstrate it is consistently over-subscribed and if the governors and head want to expand the school, they will, under the new rules, attract the capital necessary for them to expand in response to popular demand," Mr Clarke added.



Child's play: John Major studies work by pupils at All Saints county primary school, Waddington, Lincolnshire, which educates children from the nearby RAF base

200 schools stand on knife-edge

By JOHN O'LEARY, EDUCATION CORRESPONDENT

APRIL 9 will either make or break one of the great educational experiments of the past 20 years. Opting out will be both a central feature of the election campaign and an immediate concern of the winning party.

A Conservative victory would prompt a torrent of applications for grant-maintained status, while a Labour government would set about dismantling the fledgling sector to create a uniform local authority comprehensive system.

Opting out may have been much slower to take off than Margaret Thatcher predicted

in 1987, but few doubt that a fourth term for the Conservatives would open the floodgates. With the subject causing such controversy locally and nationally, many schools have been reluctant to rock the boat until the political outlook is more settled.

Only 200 of the 25,000 state schools have opted out so far, but the Grant-Maintained Schools Foundation has had enquiries from 2,000 more. Kenneth Clarke, the education secretary, expects so many to apply to be grant

maintained that he is planning a new organisation to administer their budgets. He would like to see all secondary schools opt out in the lifetime of the next parliament, and expects most to do so.

Up to now, enthusiasm for self-government has been restricted to relatively few local authorities. More than half of the 428 parental ballots in the first three years of opting out have taken place in 12 largely Conservative authorities. Labour says that that shows the system is popular only where a school is threatened with closure, or is underfunded; Mr Clarke says that it

reflects the reluctance of parents to take on hostile Labour councils.

Mr Major's plans include further restrictions on council campaigns against parents who want a school to opt out. He is also promising that groups of small schools will be allowed to form consortia to opt out, sharing management costs.

The Conservatives' plans do not include the compulsory ballots favoured by many on the right of the party to speed the process, however. Indeed, Mr Clarke acknowledges that the financial advantages of grant-maintained status are bound to lessen as the numbers rise.

Labour and the Liberal Democrats say that assurances of equal treatment for local authority and grant-maintained schools have been broken in order to rescue a failing policy. Grant-maintained schools were always offered 15 per cent extra to buy in services that others received from their local authorities, but they have also been funded for capital projects at four times the rate for local schools.

Opting out on the scale envisaged by the Conservatives would leave local authorities with a much reduced role. Apart from running the rump of schools that choose not to opt out, they will have responsibility for only a few central services, for example catering for special educational needs and transport.

Some authorities are already finding it difficult to run a full service as opting out spreads. Hillingdon, in north-west London, where there are four grant-maintained schools, has told 100 parents, for instance, that it will not be able to place their children for several months, while other have been allotted schools miles from their homes.

Mr Clarke has promised that the education department will never take over the day-to-day running of schools, and he will not replicate the control exercised by local authorities. However, his new quango with regional centres suggests a bureaucracy far in excess of the 53 civil servants who are now responsible for the sector.

Labour would immediately end opting out for grant-maintained schools which would be offered legal protection from discrimination by councillors as they were handed back to their local authorities.

The loner with a talent for straight talk and surprises

By NICHOLAS WOOD, POLITICAL CORRESPONDENT

KENNETH Clarke could be forgiven a private chuckle yesterday after the launch of the education section of the Tory manifesto.

Five years ago, the same event had got the campaign off to a rocky start as Margaret Thatcher and Kenneth Baker had stumbled over opt-out schools. Yesterday, as John Major pursued his way through the latest prospectus, Mr Clarke could afford to sit back in the comfort of knowing that the Tory schools programme had been agreed well before the launch.

The coherence that Mr Major and Mr Clarke brought to the launch was in part a product of the education secretary's success in bulldozing through over the past 15 months the most awkward aspects of the reforms begun in 1987. Potentially explosive questions about teachers' pay, the content of sensitive subjects such as art, music and history, testing of pupils, examination league tables, the running of the examination and curriculum advisory bodies, and private inspections of schools had all been long defused.

In part, this was a tribute to his political skills and his capacity to bend the Whitehall machine to his will — no small achievement at the only department that ever put Mrs Thatcher in her place.

But it was also evidence of the bond that exists between Mr Clarke and the prime minister. The education secretary, nominally a lowly post in the cabinet pecking order, has pole-vaulted over some of

his more senior colleagues into the six-strong "A" team of cabinet ministers running the Tory election campaign.

Mr Clarke has been bracketed with Michael Heseltine and Chris Patten as the chief Conservative hitmen and his contributions over the next three weeks will not be confined to the playground.

A QC and Cambridge graduate, his courtroom skills have been sharpened in the Commons chamber and in frequent ruses with the unions and vested interests.

He is a jazz fan and bird-watcher with a weakness for Hush Puppies and his manner places him apart from many of his more conventional colleagues. Nor is he easily

pigeon-holed on political grounds.

As Mr Clarke airily confessed the other day, his first act on being offered the job of education secretary by Mrs Thatcher was to tell her he would have nothing to do with her pet project of education vouchers. A beleaguered prime minister was forced to retreat and Mr Clarke hurried to the Commons to put the record straight.

There was more straight talking to come. While many of his cabinet colleagues hedged their bets on the night Mrs Thatcher consulted them on her chances of winning the leadership election, it was her young education secretary who came to the point. If she fought on, he would resign immediately from the government.



Clarke: has pole-vaulted over senior colleagues into the forefront of the election "A" team

Slogans tend towards politically incorrect

By JOE JOSEPH

It's all very well for the Tories to use literary-sounding phrases like "the 39 steps to better education" when plugging their promises to make us smarter after April 9, but the choice of slogan does make you wonder: in the matter of dispensing knowledge, who is worse shod than the shoemaker's wife?

Are the well-read young researchers at Conservative Central Office not aware that John Buchan, who wrote the famous Richard Hannay adventure story, is now deemed politically unfashionable, accused of being racist for his various references to "fat Jews", "nigger band" and "blue-black dagos"?

Worse still, it was the second time this week that the Tories have betrayed an educationally misspent youth. Of all people, Aristotle

tripped them up first. The first hiccup came when Tim Eggar, the education minister, confided the government's programme to breakfast listeners of Radio 4's *Today* programme yesterday. Brian Redhead, his interviewer, remarked: "Not long ago you said you could not teach *The Thirty-Nine Steps* in schools because it was Richard Hannay and it was regarded to be improper. I can't remember why." Mr Eggar also seemed to have forgotten. "We certainly want to make sure that the children get to know literature," he stammered back.

Equally surprising was Monday's revelation that Aristotle and Major bear the same political birthmark. This was Kenneth Baker's contribution to our national learning curve. The home secretary told a newspaper



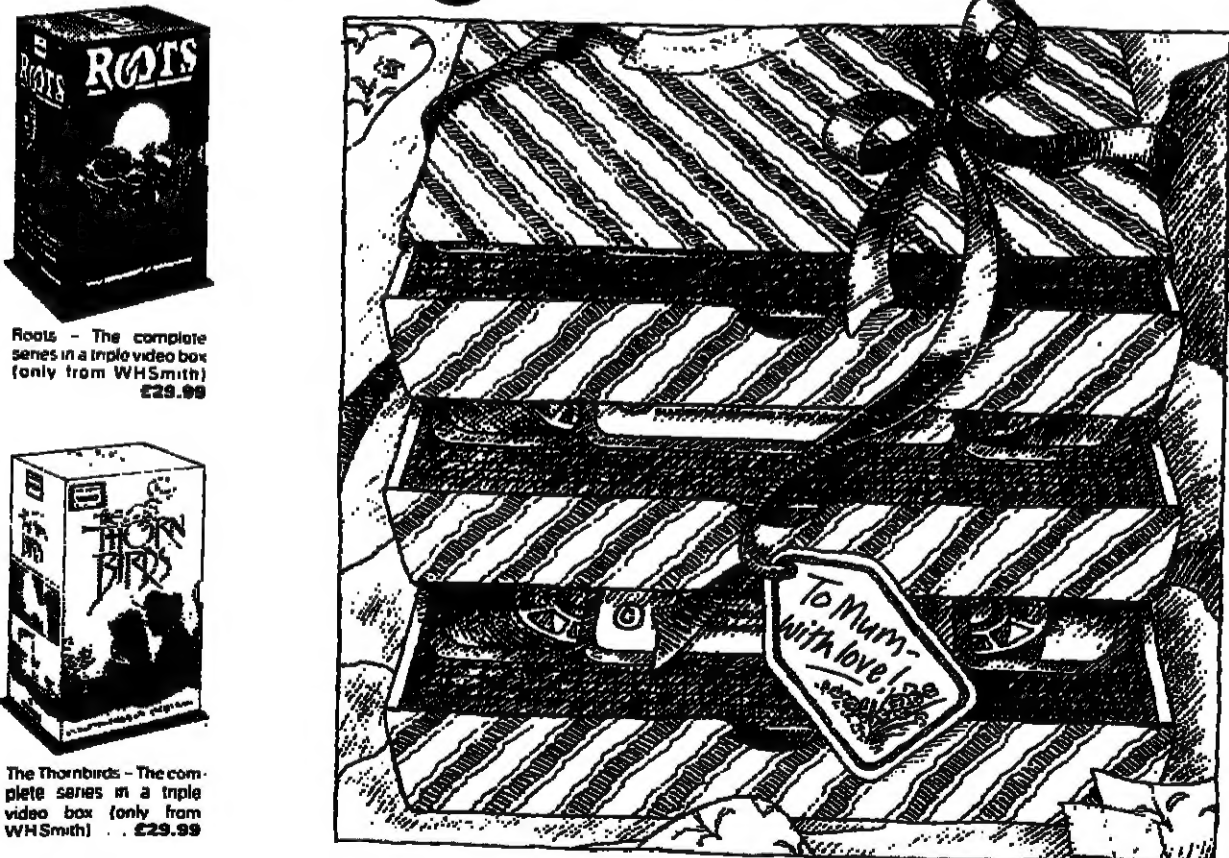
diarist that he was writing the history of Conservatism "from Aristotle to Major" (is he expecting to have free time on his hands soon?).

"Aristotle would have been a John Major supporter, no doubt about it," Mr Baker said confidently.

Oh really? You mean the same Aristotle who thought that some people were born to be slaves and that these slaves ranked just the same in their owners' eyes as any other of his possessions? The Aristotle who thought that the husband and father was boss, entitled to rule his family with a regal aloofness?

If this skin-deep sloganeering peppers the rest of the Tory manifesto unveiled today, we can expect *Silence of the Lambs* and *Clockwork Orange* to become agriculture ministry policy proposals. And, who knows, the health department might even be toyed with *Gone with the Wind*.

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Poll uncertainty is delaying end of recession, Major says

By Philip Webster

THE prime minister said yesterday that uncertainty over the outcome of the general election was holding back recovery and predicted that the recession would end after the April 9 poll.

John Major began his general election tour with a trip to Lincolnshire and Nottinghamshire, carefully planned to press home the Conservative message on education, their chosen theme of the day. He visited a primary school near Grantham, Margaret Thatcher's birthplace, and the pioneer city technology college in Nottingham opened by his predecessor in 1989.

The agenda, however, was soon upset when news of the disappointing January output figures reached the prime minister's entourage and Mr Major found himself having to deny that the recession had cast a shadow over the election campaign. Mr Major said that the output figures were historical and mirrored in many other industrialised countries.

"We are now getting ourselves into a position where we can lift out of recession," he said. "The impediment that lies between us and people wanting to reinvest and move out of recession is the general election result. Once that is over — once we get back with a clear majority — people will begin reinvesting. They have liquidated their debt. They will begin to reinvest and out of recession we will come."

He repeated the message at the second of his "meet John Major" gatherings in Nottingham last night. When a restaurant owner in the specially chosen audience in the Albert Hall asked him about the recession and value-added tax levels Mr Major replied: "Most of what the country needs to get us out of recession is in place." Inflation was predicted to fall below 4 per cent, interest rates had fallen, and many people had cleared their debts.

He went on: "The capacity for people to spend is there. What is the missing ingredient? I believe the missing ingredient is confidence — the certainty of knowing what is going to happen, who is going to be in charge, what the tax structure will be, and

what the policies will be. The impediment to that confidence is the general election. When we have had the election and when we have a clear majority, that uncertainty will drift away." Earlier, when asked when the recession would end, Mr Major replied: "After the election result — after we are safely back in Downing Street."

After launching the Conservative education programme, Mr Major flew from RAF Northolt to RAF Waddington near Lincoln. He visited All Saints primary school in the village of Waddington where many of the 274 pupils are the children of RAF personnel.

He explained the purpose behind his visit: "I do not think you can find out what is happening in the schools simply by sitting behind a desk in Whitehall. It is an opportunity to hear what the teachers have to say, to find out the attitudes and feelings in the schools."

Surrounded by children, he spoke of the change in atmosphere in schools compared to the time he was a pupil. "School is a much happier place, a much friendlier place. You can see from the faces of the children how much they enjoy being here."

The prime minister said that Conservative policies

were about increasing choice for schools, parents and pupils. "What matters is the nature and style of education. What matters is the freedom that will be there if schools want to run their own affairs. That is not something that would be there under the other two parties."

He moved on to Nottingham where the Conservatives are defending two marginal seats. Nottingham East, with a majority of 456, is the sixth most marginal in the country.

His arrival at the £13 million Djanogly city technology college was disrupted as the first egg of the campaign was splattered across his pale blue "battle bus". The police arrested one man and a crowd of protesters carrying Socialist Workers party and anti-election alliance banners, greeted him there. The college, one of 13 CTCs, was funded in part by Harry Djanogly, a prominent local businessman. Mr Major saw the library, language laboratory and the music room where he and his wife Norma were serenaded by a class singing *World in Union*.

Mr Major's touring team is headed by Sir Norman Fowler, the former cabinet minister, and includes Shirley Trotter, the tour manager, Jonathan Hill, Mr Major's political secretary, Edward Llewellyn, his special policy adviser, and Tim Collins, his chief press officer.

Crime-busters wanted

By Philip Webster

THE prime minister called last night to set an example to young people in the battle against crime. John Major urged people with the greatest influence on the young to stop them from falling into the "dreadful pit" of criminal behaviour.

He asked any question of a return to capital punishment, and referred to recent cases in which people who had served long prison sentences had subsequently been found to be innocent. "I think it would have weighed very heavily on the conscience of the British public if we had had capital punishment."

Mr Major told an audi-

ence of Tory supporters in Nottingham that one of the biggest mistakes of the past 20 years had been the failure to tackle criminal behaviour at a suitably young age. "I think sometimes we have been so tolerant in understanding crime at an early age that we almost appear to have validated it," he said.

"One of the most powerful pressures on young people is peer pressure," he said. That should come from "the people they admire, who they follow, the people who look high in their lives, people who are famous in one form or another or people in their family circle."



Whistle stop: Joan Ruddock, a Labour transport spokesman, distributing leaflets outside Tooting Broadway station, south London

Return to the land of his fathers

By Jill Sherman, Political Correspondent

AS NEIL Kinnock set off round the country on the Red Rose Express to woo pensioners and teachers on the first proper day of campaigning, it emerged that transport had played a vital role in his birthplace. If a ship had been waiting for his grandfather instead of a train, Neil Kinnock could be fighting the US primaries instead of the general election.

Touting a day centre for old people in Downend, Bristol, Mr Kinnock told a pensioner that his grandfather had come from Bristol. "He had a terrible row at home and decided to run away to sea. He went down to the docks; it must have been the only day there was no ship going to the United States. He went to Temple Meads station [Bristol] and got a train to South Wales instead."

The first day of the campaign started with a flurry of cameras, microphones and tape recorders at Paddington station. After a walkabout, Neil and Glynis boarded the Red Rose, a specially chartered train for a secret destination.

One hour and 35 minutes later the train arrived at Bristol Parkway, and journalists were bused to Kingswood, one of the 51 marginal Tory constituencies which Labour needs to win.

A suburban dormitory east of Bristol, it is held by a 7.5 per cent Tory majority. Labour claims that a recent NOP poll shows that it is seven points ahead in Kingswood and the party claims its candidate, Roger Berry, can oust the incumbent, Robert Hayward.

Mr Kinnock continued the campaign theme of the day, education, with a visit to Staple Hill primary school. Hundreds of children crowded in the playground to see the Labour leader. Cheers of "yes, yes, yes" rose from the seven-year-olds. But on later inspection the children had only been asked if they welcomed a longer playtime and if they liked netball and football.

The harsh words about John Major's record on education were reserved for journalists later. "Mr Major," he said, "did not think that qualifications counted for much."

Later Mr Kinnock almost gave the game away as he and Glynis Kinnock took over a reading lesson in the school library. Mr Kinnock admitted that Glynis was a teacher in real life. "This isn't real life, this is just pretending," Daisy, aged six, said. "I always thought you were pretend."

At the Downend day centre, Mr Kinnock chatted with a number of pensioners. One, Frances East, aged 81, a former Tory supporter, said she intended to vote for Mr Kinnock this time. "I have never voted Labour before, but it is time for a change, time for fresh ideas."

Waving a fond farewell to his aged fans, Mr Kinnock sped back to London on the Red Rose, which astonished Welsh London locals by stopping at Ealing Broadway. As Mr Kinnock sped away in his red Rover, a lone voice shouted "vote Conservative".

Lib Dems look to London

By Sheila Gunn

PADDY Ashdown exploited Labour's problem of the 'loony left' effect in London yesterday as he toured four constituencies around the capital where the Liberal Democrats have a proven record of success.

His message in Southwark and Bermondsey, Sutton and Cheam, Richmond and Barnes, and Twickenham was to judge the party's candidates on the strength of the Liberal Democrat councillors' actions in recent years.

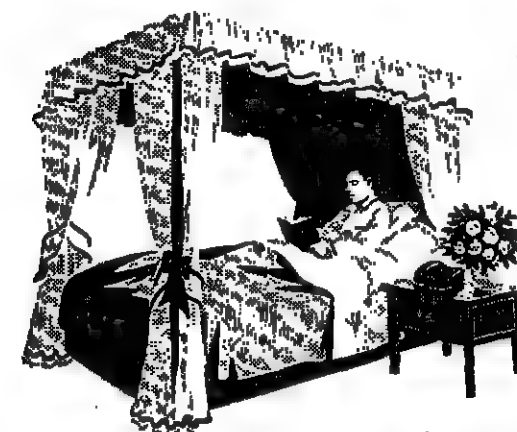
The party's fortunes depend in part on tactical voting by those who seek an alternative to the Conservatives and recognise that Labour has no chance of winning. But for the Liberal Democrats to make a breakthrough, that would need to be backed up by a substantial swing in their favour by disenchanted Tories.

Mr Ashdown and his team launched a policy document *Changing London for Good* which blamed the housing, transport, pollution and economic problems of the capital on a mixture of Labour and Tory incompetence. Although London and its suburbs did not prove fertile ground for the Liberal party, the new party leadership detects signs of a swing to them in spite of holding only Southwark and Bermondsey.

The party is committed to setting up an elected strategic authority for greater London as part of a system of regional authorities. Mr Ashdown said: "London is becoming a very significant asset for the Liberal Democrats while it remains a potential drag factor for Labour. We expect to see gains and progress in London."

In Richmond and Barnes, where the candidate Jenny Tonge has a strong chance of unseating the Tory MP, Jeremy Hanley, Mr Ashdown's main topic of conversation with children was the party's commitment to setting up an animal welfare commission.

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Party is sunk by tax bill

The largest fringe group, the Corrective party, has pulled out of the election. Linda St Clair, its leader, said she could not afford the £25,000 deposits for her 50 candidates. The self-styled Miss Whiplash faces a £60,000 tax bill.

The former madam, aged 33, is urging her 8,500 party members to vote for the Liberal Democrats. The Corrective party campaign to decriminalise prostitution.

Tories best bet

Ladbroke's, the bookmakers, yesterday reported heavy betting on a Conservative election victory, particularly in the South-east. It shortened odds to 2/1 on a Tory victory, the shortest price since the book was opened. Labour went out from 11/10 to 6/4 and the Liberal Democrats were quoted at 300/1.

Songs for votes

Betty Williams, the Labour candidate in Conwy, has taken to the stage to put her message across in song. Mrs Williams has teamed up with her son to woo voters in clubs and community groups in Llandudno. She is trying to unseat Sir Wyn Roberts, the Welsh Office minister.

Pledges taped

A 15-minute cassette tape of "edited highlights" of the Labour party manifesto is being produced later today by campaigners in Cardiff for blind and partially sighted voters. Volunteers will record a condensed version of the party's pledges plus an interview with Jon Owen Jones, the Labour candidate in Cardiff Central.

Insanely yours

Screaming Lord Such, the leader of the Official Monster Raving Loony party, yesterday launched his party's manifesto, *Vote Insanely, you know it Makes Sense*, in a ceremony on Blackpool beach, and toasted success with Irish Sea water.



Twin ambitions: Labour's candidates include Maria Eagle (left), a trainee solicitor, in Crosby, and her twin, Angela, a trade union official, in Wallasey

Campaigns take off by air, road and rail

By Lin Jenkins

THE cost and lengths — both in miles and terms of logistics — to which parties will stretch to get their messages across were graphically displayed yesterday. By road, rail and air the politicians tried to sell their manifestos across the country.

John Major, with £20 million likely to be spent before April 9, took to the air in a specially chartered plane; Neil Kinnock chose an InterCity 125 to go to Bristol; while Paddy Ashdown combined canary yellow battle bus with shoe leather.

Mr Major, accompanied by passengers from the media, flew to RAF Waddington, Lincolnshire, for a series of engagements and photo sessions in the county and neighbouring Nottinghamshire. The aircraft will be available throughout the campaign.

The Tories were reluctant as to the cost. However, part of the expense is being met by the £4,000 a head fee for

transport charged to journalists and photographers joining Mr Kinnock's tour.

Mr Kinnock's Red Rose Express, a 20-year-old 125, is one of several offered for charter by British Rail and will be used twice more during Labour's campaign.

With an estimated campaign budget of £10 million, the Labour party provided all 100 passengers with a full English breakfast on the return trip to Paddington.

Mr Ashdown's 60-seat Volvo coach took to the London streets yesterday fully equipped with televisions, radios, fax machine, photocopier and telephones. Mark Payne, who has organised the whole transport package, refused to disclose the cost.

Forty per cent of the transport costs, in a campaign likely to cost £2 million, would, however, be met by the £4,500 charged to journalists to join the Lib Dem leader up and down the country.

Old faithfuls go to ground

Leaving almost before the party has begun, some of the celebrities who a few days ago seemed to pledge their souls to the Tories now seem to want to keep their souls to themselves. Nobody said that celebrities were going to be faithful in their political affiliations, even during a tight and keenly fought election campaign, but the speed of their defection must be jolting Conservative Central Office.

Then again, celebrities did not get where they are today by alienating chunks of their public by endorsing only one side in a debate. They know that when they are in a tight corner, *etiquette demands* that they always offer the other cheek, for a social peck. If it's consistency you want, stick to cake batter.

Some of the famous men and women retreating discreetly from the spotlights are claiming that they were never asked for their support, or sounded out on whether they wished to appear on the all-star list of Conservative voters. So they have disowned the Tories and asked for their names to be withdrawn. Richard

The Tories' celebrity chorus line has done a vanishing act and will not reappear until April 10 at the earliest. Joe Joseph has found

Branson, the airline tycoon, is one who has decided that he is not willing to be branded a Conservative sympathiser quite so openly, though this may not have struck John Major as a surprise. Branson makes something of a habit of bailing out of dodgy craft at the last minute just before a crash landing.

Michael Winner, the film director, says that his actress girlfriend, Jenny Seagrove, was surprised by her appearance on the well-publicised list of 84 celebrities. "She is making a film in southern India at the moment and she won't be here for the election but she has asked her agent to write a letter to Mr Patten," Mr Winner said.

"It was a bit off. They didn't ask her at all. She is not a Conservative supporter, she is a floating voter. She

once went to a cocktail party at number 11 but it was not a political event."

Mr Winner directed the *Death Wish* films and is clearly a man who knows how to take revenge into his own hands if he feels unjustly treated. The Tories can just count themselves lucky they didn't put Charles Bronson on the list, too.

The entertainer Lulu was also among those named as an official Blue supporter. She was not in the country yesterday but her agent was unsure of her political sympathies. "It may be a bit like a Christmas card list," she said. "If you have been on it before you are automatically on it again without being asked."

Swimmer Sharon Davies and Irish international footballer David O'Leary are also shy of being named as Tory supporters though they appeared on the list.

But all is not lost. Shirley Bassey, the singer, Paul Daniels, the magician, and Cilla Black, the television personality, are still in the Tories' backing chorus. Or maybe that was the problem.

Clinton preaches message of fallen man ready for office



Question time: Clinton answering students in Wayne, Michigan

AT CHICAGO'S Union Missionary Baptist Church on Sunday, the Rev Marvin Alexander praised Bill Clinton. "Listen, sisters and brothers," he told his all-black congregation. "God has not made another perfect man since he made Adam, and Adam sinned. If you're looking for perfection, stop."

The Arkansas governor grinned broadly before taking the pulpit himself. When the pastor mentioned perfection, he joked: "I started to stand up and shout 'Amen.'"

It was a moment of light relief after three months of what Jerry Brown, Mr Clinton's rival Democrat presidential nominee, calls a "scandal week". It did not last. As Mr Clinton marched in a St Patrick's Day parade that afternoon, onlookers shouted "womaniser" and "draft-dodger". In a televised

debate that night, Mr Brown accused him of corruptly channelling Arkansas state business to the law firm of his wife, Hillary. He was last week accused of a dubious financial deal involving land in the state.

Last autumn, the Bush campaign team dismissed a putative Clinton candidacy with the single word "women". The governor has since survived so many bullets that he has been variously dubbed the Terminator and the Timex candidate, because "he takes a licking but keeps on ticking". Nothing appears to stop him, and yesterday he was expected virtually to tie up the Democratic nomination by winning the Michigan and Illinois primaries.

That would not end Mr Clinton's ordeal. Before he quit the Democratic race, Bob Kerrey predicted that the

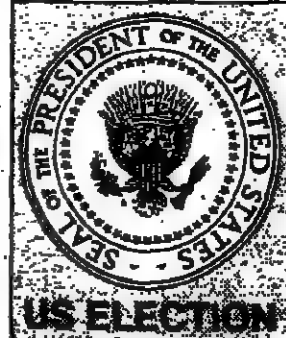
Inner strength, luck and shrewd tactics in adversity have propelled Arkansas's governor along the White House road, Martin Fletcher writes from Chicago

Republicans would open Mr Clinton up this autumn like a "soft peanut". Already the White House has sent opposition research specialists to Arkansas to scour Mr Clinton's record for an "October surprise". It has approached Roger Ailes, the master of negative advertising who destroyed Michael Dukakis in 1988.

With Mrs Clinton also an election issue now, rival campaigns openly wonder how he survives. The answer is through courage, luck and shrewd strategic calculation. His inner strength may derive from growing up as inter-

mediary between his battered mother and aggressive, alcoholic stepfather. Equally it could be a factor of Mr Clinton's vaulting ambition. This is a man who put himself back in the Vietnam draft at the age of 23 to preserve his "political viability", who became Arkansas attorney-general at 28 and governor at 31, now a battle-hardened veteran of 17 elections.

Mr Clinton was lucky in the paucity of viable Democratic alternatives, lucky in the mendacious record of Jennifer Flowers, the singer who claimed to have been his lover, and fortunate in the Amer-



ican media's reluctance to destroy him. He exerts a Kennedyesque charm on reporters. They want to be White House insiders. Having cut down Joe Biden and Gary Hart in 1988, they have also grown wary of their power.

Above all, Mr Clinton knew what to expect and planned accordingly. He calculated that the public was sick of

muckraking, did not want absolute perfection, and would respond to openness. Before declaring last autumn, he and his wife staged a breakfast for Washington reporters and acknowledged that "our relationship has not been perfect" but insisted their marriage was strong.

He has stuck rigidly to basic rules. Wherever possible he has blamed the tabloid press and Republican dirty tricks. He has never looked ratted, run from cameras or avoided reporters. He has always appeared to answer questions, even when being evasive. He has admitted general shortcomings but not specifics, never once letting the word "adultery" pass his lips. He rushed on to prime-time television to confront the Flowers allegations, himself released the celebrated draft evasion letter before the me-

dia could, and swiftly appointed an independent lawyer to review the land deal. Because he has never publicly panicked, neither have his financial backers. Anticipating the presidential election, his aides have been quietly pressing journalists to scrutinise President Bush's life more closely.

Top Democrats admire Mr Clinton's courage but fear that each successive charge is another bullet hole through his strength is slowly bleeding. Mr Clinton seeks to turn the barrage of allegations to his advantage. His endurance demonstrates his strength of character and purpose, he argues, and that he alone will be "tough enough to stand up to the garbage the Republicans will throw at you".

President Clinton? page 14

Big poll turnout is boost for de Klerk

WHITE voters turned out in large numbers throughout South Africa yesterday, boosting President de Klerk's prospects of winning the crucial "yes" vote he needs in the referendum on constitutional reforms. By late afternoon, the chief referendum officer in Cape Town was predicting that the national turnout would be above 70 per cent.

Officials report that traffic jams and long queues in all 15 regions as voters swamped polling stations as soon as they opened. The turnout indicated that Mr de Klerk's warnings against the dangers of apathy had been heeded. The consensus was that a low percentage poll would favour the right-wing Conservative party, campaigning for a "no" vote. By midday, however, it was already apparent that supporters on both sides were turning out in strength.

More than 7,000 votes had been cast at the Johannesburg city hall polling station before the lunch hour brought thousands more people to join long queues. Cape Town reported 600 voters an hour, and in Durban one queue stretched more than 100 yards into the municipal gardens.

Officials in Bloemfontein, the Orange Free State capital, hurriedly set up additional booths after being inundated by 15,000 voters in the first five hours, and polling stations in the northern suburbs of Johannesburg reported that they were running out of ballot papers. Voting trends at Pieterburg in the northern Transvaal suggested that there would be a record local turnout of more than 80 per cent.

At Parktown, a liberal constituency in Johannesburg, ambulances lined up outside a polling station at a primary school as doctors and nurses escorted patients in wheel-

South Africans flocked to vote in yesterday's referendum, writes Gavin Bell in Johannesburg

chairs, some still receiving intravenous drips. A local agent for the liberal Democratic party said: "I've never seen anything like this. We're processing one person every six seconds."

Minor scuffles broke out at several polling stations, and two bomb hoaxes briefly halted proceedings in Durban, but no serious incidents were reported. Six uniformed members of the Afrikaner Resistance Movement who used abusive language at Bothasig town hall in the Cape were escorted from the premises by referendum agents.

Peter Soal, southern Transvaal chairman of the Democratic party, predicted a poll in excess of 75 per cent, saying: "We are overwhelmed. The polling booths are besieged." Independent analysts revised their estimates of a "yes" vote upwards from 56 per cent, saying 60 per cent or more was within reach if Mr Soal's prediction was correct.

Informal polls of voters in the Transvaal indicated that the government's campaign had succeeded in driving home the message that a "no" vote would mean economic disaster and sporting isolation. Both these considerations appeared to be swaying waverers.

Optimism was running high in both camps. A Conservative official trying to whip up support in a liberal Johannesburg constituency said: "Ja, we need help here. But we're wiping them out in the eastern Transvaal; 90 per

cent in Bethal were voting 'no' when I left there this morning."

Gerrit Viljoen, the minister of constitutional development, said it was clear each side had mobilised solid support in its own strongholds. "Obviously there is very strong public awareness of what is at stake. It is difficult to judge the outcome at this stage, but the overall pattern is encouraging so far, and I think we should get at least 55 per cent."

Paul Fouché, acting Transvaal secretary of the Conservative party, said the right-wing offensive would continue irrespective of the referendum outcome. "If we lose, it will be a battle that has been lost and not the campaign. We will then fight with more vigour to turn a marginal defeat — because it can be no more than that — into a majority for us."

Rival leaders traded warnings of chaos and economic collapse until a few hours before polling began. R. F. "Pik" Botha, the foreign minister, told his final campaign rally: "Not a single country in the world would recognise a government based on the policies of the Conservative party. A 'no' vote would cause this ship to sink abruptly, economically, politically, and socially. We dare not take that risk."

Professor Willem Kleynhans, a prominent political analyst, predicted that South Africa was heading for trouble no matter who won. "If the 'no' vote wins, there will be chaos when the black people try to make this country ungovernable. If the 'yes' vote wins, the right wing will become more militant than ever... there is, therefore, the possibility of a coup."

The result of the referendum is being announced in Cape Town this morning.



An unconscious Israeli woman being carried to receive treatment in Jaffa yesterday after a masked Palestinian, wielding a sword, ran amok and killed two Israelis and injured a dozen others before being shot dead

by a policeman. Most of the casualties were teenagers in fancy dress who had gathered outside a disco to celebrate the Jewish holiday of Purim (Richard Bessent writes from Jerusalem). The assailant was identified as a merchant, aged 22, from Gaza, who was known to be a follower of the late Iranian spiritual leader, Ayatollah Khomeini. Police said that they discovered Islamic Resistance leaflets on his body.

Arens mission fails to win pledge on US housing loan

FROM JAMIE DETTMER IN WASHINGTON

MOSHE Arens, the Israeli defence minister, acknowledged yesterday that Israel's attempt to gain \$10 billion in American housing loan guarantees appeared to be on the brink of collapse.

Speaking on Israeli radio, Mr Arens, who is on an official visit to Washington, said he thought the chances of securing the loan guarantees were dim. He was speaking hours after President Bush rebuffed last-ditch congressional efforts to ease the linkage between the guarantees and a freeze on further building of settlements in the occupied territories.

The compromise proposed by some congressmen would have allowed Israel to receive \$1 billion in loans and still allow new settlements on the West Bank and in the Gaza Strip. Mr Arens said here on Monday that Israel would "not beg or crawl for help. We are a small people, but we are a proud people." He said the settlements were a key element in Israel's security doctrine.

American-Israeli relations continued to deteriorate yesterday with State Department and Pentagon officials adding to their list of American military technology Israel is alleged to have passed to China, South Africa or Latin America.

Monday's talks between Richard Cheney, the American defence secretary, and Mr Arens seem to have done little to quell the flow of leaks from unnamed officials about what military items Israel is meant to have sold to "particular" countries. Yesterday Israel was accused of selling details to China of a highly sensitive artillery laser-guidance system, known as the Copperhead.

Israeli diplomats insisted last night that this latest leak was, like last week's American accusations over the Patriot missile, politically inspired and intended to embarrass Jerusalem. They claim James Baker, the American Secretary of State, either is using the issue to boost Mr Bush's election fortunes by diverting

attention away from domestic problems or hopes to topple Yitzhak Shamir's government in the Israeli elections in June.

Despite Mr Arens's agreement on Monday to a US inspection team visiting Israel to check on the American claims, Bush administration officials expressed scepticism that inspectors would be able to get to the bottom of the problem and doubted that Israel would allow much access for the team. Israel particularly irks US Israeli diplomats here is the way that the issue has blown up and the press has been used.

The first leak, accusing Israel of selling a Patriot missile to China, appeared in *The Washington Times* last week. This was quickly followed by a leak to *The Wall Street Journal* of a report by the State Department's inspector-general suggesting that Israel had exported other advanced US arms technology without Washington's permission. Israel denies the charges.

Pollution alert halts capital

FROM AFP IN MEXICO CITY

OFFICIALS closed all schools, ordered partial shut-downs of industry, and warned residents against going out as ozone pollution reached a dangerously high 390 points on Mexico City's 500-point air pollution scale yesterday.

Polluting industries such as cement and paint companies were ordered to reduce their production by three-quarters as the authorities implemented a phase of their environmental contingency plan. About 75 other industries were told that they must cut back by 50 per cent, and half of all government cars were instructed to stay off the streets.

The government also issued warnings to the population in radio broadcasts to avoid leaving their homes. Any reading near 400 on the scale is considered dangerous, particularly for children and the elderly, who are most affected by respiratory ailments.

In a separate development in the widening affair, federal prosecutors began work to assess whether criminal charges might be brought as a result of the bank's practice of honouring congressmen's cheques whether there were deposits to cover the payments or not. Investigators are examining whether members avoided tax liabilities and campaign finance regulations by, in effect, taking unregulated interest-free loans.

A spokesman for the vice-president said Dan Quayle had written no cheques for which insufficient funds were in his account. He has been in the fore among Republicans arguing that the House Bank affair gives an unrepealable political opportunity to loosen the Democratic hold on Capitol Hill.

Observers in Washington predict survival in the affair for those who quickly show that they were occasional offenders whose carelessness was exacerbated by bank inefficiency. Others, who routinely abused the privilege of House banking and who borrowed large amounts, may be hard-pressed to explain themselves to an already angry electorate. Once the autumn political campaigns begin, the distinction may become blurred.



Tomorrow's man: cradled on his mother's arm, Wessels Cronje, aged one, makes his sympathies clear outside a polling station in Pretoria yesterday

Kenyan opposition to meet in London

BY DAVID WATTS, DIPLOMATIC CORRESPONDENT

AS PRESIDENT Moi arrives in London today, Kenya's main opposition party is finalising plans for a special summit in London to settle the leadership question in time for the elections expected later this year.

Leaders of the Forum for the Restoration of Democracy say they are resorting to a London meeting to avoid the extralegal tactics they allege Mr Moi is using increasingly against the opposition. There are also signs the forum may be able to establish an alliance with other opposition parties to try to present the president with a united front and counteract his attempts

to set tribe against tribe. Though Mr Moi's visit is billed as private, he will meet Foreign Office officials. His critics see an increasingly isolated president who is afraid for himself. "If he could talk to people and a way could be found to protect him, he would go, I am sure," said Gitobu Imanyara, a human rights lawyer and editor of *The Nairobi Law Monthly*. Njenga Mungui, MP for Molo, northwest of Nairobi, said yesterday that fighting between the president's Kalenjin tribesmen and Kikuyus erupted in the constituency on Sunday. The death toll climbed to 12 yesterday.

Protests by prancing gay leprechauns and a boycott by Mayor David "O'Dinkins" failed to dampen the festivities of some two million New Yorkers who turned out yesterday for the city's annual celebration of St Patrick.

America's biggest parade and ethnic rite went ahead hours after a federal judge rejected a demand by the Irish Lesbian and Gay Organisation (ILGO) that he order the Ancient Order of Hibernians to let them join their march up Fifth Avenue.

The decision provoked a gay counter-parade and attempts by members of the militant Queer Nation group, some in full Irish

camouflage, to disrupt the 150,000-strong march. Some 3,000 uniformed police and many killed officers helped preserve what passed for peace amid the wailing of 50 pipe bands. While the Queer militants, most of them non-Irish, applied their usual extreme tactics to St Patrick, the more subdued Celts of ILGO waved placards of famous Irish homosexuals, including Oscar Wilde and Roger Casement.

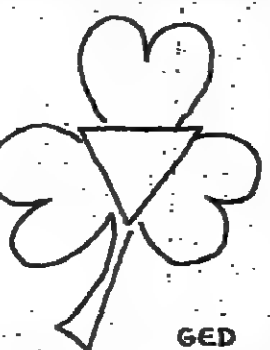
The court decision, as citizens were entering the festive mood in hundreds of green-clad bars and restaurants, inflicted an unpleasant tactical choice on politicians, as they had to

decide whether to denounce discrimination or follow the more politically profitable path of joining the celebrants.

Mr Dinkins, the descendant of slaves, who adds an "O" to his name on March 17 like his predecessor Edward "O'Koch", refused to appear and called the exclusion of a gay unit "a sad day for New York".

Governor Mario "O'Cuomo" took the same course, but not the city's third most powerful politician, Senator Alfonse D'Amato. "I've never missed a St Paddy's Day," said the Italian-American Republican, who was swathed in green for the occasion.

The absence of a gay contingent at least averted ugly incidents of the kind which



marked Sunday's parade in Boston and last year's New York version. In that, Mayor

Dinkins was pelted with beer after he marched among a bevy of homosexual activists. Deploring the exclusion of homosexuals yesterday, *The New York Times* recalled that, as the first great "ethnic" immigrant group, the Irish had long endured bigotry and that, as recently as early this century, job advertisements would say: "No Irish need apply."

The New York Post, garbed yesterday in front-page green, was divided. One columnist ranted about the insult to tradition by mean-spirited outsiders and another denounced the Hibernians as "a group of 18th-century bigots".

Other Irish interest

groups found another cause for complaint: the annual conversion to Irishness by the drink industry. Activists have been protesting over the way that everything from German beer to Jamaican rum has been advertised with shamrocks and suggestions that they are just the thing for improving Irish spirits.

Small wonder that in the midst of all the posturing and protesting by the politicians and Irish "wannabes", many of the thousands of young, real immigrants from the Emerald Isle repaired yesterday to the calm of their capuccinos in their favoured cafes on the Lower East Side of Manhattan.

Moscow on guard fail to rally ma: allegiance

ilisi reaches with rebels

Might

Moscow old guard fails to rally mass allegiance

FROM MARY DEJEVSKY IN MOSCOW

THE former Soviet Union's old guard, whose aim is to reconvene the old parliament and resurrect the nomen raptum from the Russian authorities, held a peaceful demonstration in Moscow last night in an attempt to rally their cause. But even as the dignified strains of the Soviet national anthem echoed across Manezh square to the Kremlin walls, few can be believed that it was not the last time.

No more than 30,000 people turned out. The organisers had hoped for at least 100,000. In a strikingly successful security operation, the police — although deployed in thousands — left the square and surrounding streets to the demonstrators. There were isolated scuffles when some over zealous Yeltsin supporters came on the scene with Russian tricolours, and a bunch of young self-styled anarchists with painted faces were chased from the crowd, who yelled "provocation" and "drug addicts" at them. But, despite anticipation of bloodshed by both sides, there were no more serious incidents.

Organisers and participants seemed to sense that the limelight was theirs for only a little longer. When the "popular assembly" was declared open, the cheers were distinctly thin. A forest of hands approved a preliminary agenda, but a time of laughter accompanied the announcement of the final item: selection of national leaders. In a new departure

for a predominantly communist rally, a priest intoned a blessing as a wreath was laid at the adjacent tomb of the unknown soldier. Amen, chanted the communists. In their final hour, the once-unchallenged communists have produced some fiery orators. The Russian government were castigated as "looters of the people's wealth" whose policy was determined by the International Monetary Fund, not by the welfare of the workers.

There was applause for the irrepressible Sasha Umarova, fresh from her candle-lit election as chairman of the day's countryside congress, and sympathy when she recounted the difficulties encountered. There was applause, too, when another speaker called for one million signatures to start the impeachment of President Yeltsin and demanded that Mikhail Gorbachev be put on trial for treason.

But these demands were no more than the ritual babbling of a movement in its dotage. Yesterday supplied proof that the former Soviet Union is becoming a collection of "normal" countries, where the insupportable ideal of communism attracts a committed minority, where a past national anthem can be played in public without being treated as a threat to the order of the state, and where a headline military junta can be nominated in public — and not taken seriously.

Farmyard politics, page 1
Leading article, page 15

Tbilisi reaches deal with rebels

FROM ANATOL LIEVEN IN ZUGDIDI

FORCES loyal to Zviad Gamsakhurdia, the deposed president, are close to reaching a deal with the Georgian region of Mingrelia — Dr Gamsakhurdia's birthplace — from the control of the provisional government in Tbilisi after an agreement early yesterday between representatives of the rebels and the Georgian State Council, which was later ratified by the state council.

According to the agreement signed in Zugdidi, Georgian National Guard forces, which have been massing for an attack on the ancient Mingrelia capital, are to be withdrawn from Mir Gagra and returned to their bases. The rebel forces are to remain in the area as part of the national guard, but their leaders said they in fact would be independent of orders from Tbilisi. The Georgian police will handle criminal matters in the region.

The state council ratified the agreement in its entirety



after a personal intervention by Eduard Shevardnadze, the new head of state, against the wishes of the paramilitary leaders whose coup in January brought him to power. One, Djabar Yosseliani, argued that he had already made an agreement with the pro-Gamsakhurdia forces in Zugdidi a month ago, but they had broken it.

There were some suggestions yesterday that armed elements in Zugdidi may be prepared to reject the agreement and go on fighting for the restoration of Dr Gamsakhurdia as president.

More important than ratification by the state council will be acceptance of the agreement by the national guard. As the state council delegates returned from Zugdidi to Khobi after the talks, they were surrounded by national guardsmen who said they would not under any circumstances withdraw, but would attack in order to rescue comrades taken prisoner last week. According to the agreement, these will be released as soon as the government troops are withdrawn.

Georgian television has alleged that six prisoners were tortured and burnt to death

by the rebels. This is denied by the rebels and civilians in Zugdidi, who say they were burnt when their headquarters caught fire last week.

According to the townspeople, the national guard's rule in Zugdidi since the January coup until last week's revolt was a brutal one. People allege widespread looting and beatings and several killings. The agreement says that the rebel forces in Zugdidi would have the right to "continue their struggle by political means". Most inhabitants recognised Dr Gamsakhurdia, not Mr Shevardnadze, as the legal president. Mr Shevardnadze has promised elections by September, but Dr Gamsakhurdia has denounced these as illegal and called for a boycott.

Although the effect of the agreement is to make Mingrelia a semi-independent region, leaders of the revolt say this was not their intention and they are aiming for a restoration of the legitimate government in all Georgia.

Mingrelia and Georgians speak related but mutually incomprehensible languages, but Mingrelia — like Dr Gamsakhurdia himself — have always identified closely with the Georgian nation. Nonetheless National Guardsmen have reportedly been insulting local people in ethnic terms. This is likely to strengthen the hands of the local military authorities against Tbilisi. They seem to have the undivided support of the local population.

Soyuz trio takes off to relieve spaceman

BY NICK NUTTALL
TECHNOLOGY CORRESPONDENT

THE ordeal of Sergei Krikalev, the cosmonaut stranded on the Mir space station by budget cuts, is now nearing its end after a Soyuz spacecraft lifted off faultlessly from Baikonur, Kazakhstan, yesterday.

On board the three-man Soyuz TM-14 rocket, the first manned mission since the formation of the Commonwealth of Independent States, are a fee-paying German and two Russian cosmonauts who will replace Mr Krikalev, an engineer, and his commander, Aleksandr Volkov.

Next Wednesday, Mr Krikalev will clamber aboard the return capsule after ten months of spartan living and memories which include waiting nervously for supply rockets, learning of riots at the cosmodrome in the weeks before the launch, and almost losing his commander during a space walk. Around three hours later he should come to earth in the deserts of central Asia, returning to a country which did not exist when he blasted off on what should have been a trip lasting four or five months.

At yesterday's launch, the generals hurried from a platform to watch the 48-metre (160-foot) Soyuz thunder upward on a column of flame through a blue sky. Despite the demise of the Soviet Union, the sleek white rocket was still emblazoned with the red flag and "CCCP" insignia that have adorned every capsule since Sputnik, the satellite that joined the West out of its technological complicity 35 years ago.

Russian officials hope that yesterday's launch will attract more foreign investment or future joint missions to help finance the mighty space complex that was once communism's spoiled child. Life on earth, in the space city of Leningrad, has become hard and could get worse without funding.

The entire population of 100,000, linked directly or indirectly to the space programme, waits in hope that this week's summit of the 11



Change of shift: Aleksandr Viktorenko, top, Aleksandr Kaleri, and Klaus-Dietrich Flade, as they prepare to leave Baikonur yesterday

members of the Commonwealth of Independent States in Kiev will finally agree on their future.

The German cosmonaut, air force officer Klaus-Dietrich Flade, and the two other Soyuz cosmonauts, Aleksandr Viktorenko and Aleksandr Kaleri, are due to link up with Mir — workhorse of the space pro-

gramme and the only permanently staffed orbital space station — on Thursday. Holm Kilbert, a spokesman for the German space agency in Bonn, said Herr Flade would be involved in 14 experiments including ones to monitor pressure behind the eyes and the blood circulation.

Mr Krikalev and his com-

mander will return to an uncertain future on earth. Mr Kaleri told a news conference before the launch that he thought his colleagues might have trouble coping with new conditions in what had been, on his departure, the Soviet Union. Flade rejected suggestions that political upheavals back home could affect safety.

Moldavia agrees ceasefire with rebel mini-republic

Moldavian authorities and leaders of the ethnic Russian community agreed to a ceasefire in the Dnestr region yesterday and called on their fighters to end hostilities.

The two sides said they wanted to negotiate a peaceful end to the conflict, Tass reported. At least six people were killed and several wounded when fresh clashes broke out earlier yesterday between Moldavians and ethnic Russians in the Dnestr region in eastern Moldavia. Leaders of the Russian-speaking community in the self-proclaimed republic of Dnestr had warned of the possibility of civil war after the latest clashes.

Since renewed fighting broke out on Saturday, at least 20 people have been killed and 60 have been wounded, according to sources on both sides. Before the announcement of a ceasefire, President Snegur of Moldavia told a closed session of parliament that he would do everything possible to stop the fighting. A television report also said that Boris Fyankov, deputy com-

An eleventh-hour accord reached yesterday has apparently averted the threat of civil war in Dnestr

mander-in-chief of the Commonwealth of Independent States army, was in the Dnestr capital of Tiraspol for talks. The army is reportedly seeking to withdraw its estimated 10,000 troops from the breakaway region.

The latest fighting appeared to have been started by separatists, taking the offensive before a Moldavian ultimatum to surrender or "face the use of force" expired at 4pm London time yesterday. The ultimatum was issued after the weekend clashes, the worst since Dnestr voted to secede from Moldova in December.

Dnestr, with a population of 600,000, is mostly Slavic, while Moldavia has a strong ethnic Romanian majority. The Slavs fear that Moldavia

will unite with Romania, which controlled all its territory except for Dnestr before the second world war.

Moldavia is unwilling to give up Dnestr, formerly part of Ukraine, because it is economically valuable and has a sizeable ethnic Romanian minority of about 200,000.

Mr Vance said he was sent to the Caucasus region of the former Soviet Union by the UN secretary-general Dr Boutros Boutros-Ghali to mediate the dispute between Armenia and Azerbaijan over Nagorno-Karabakh. "I might say I am here solely on a fact-finding mission," he said.

Battles continued yesterday between Armenian and Azerbaijani militants in the disputed region 1,300 miles southeast of Moscow. (AP)

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Bishops' poll guide criticised

FROM JOHN PHILLIPS
IN ROME

SOCIALIST and Liberal party leaders yesterday accused the Catholic church of interference in the Italian election campaign after the bishops issued a "commandment" urging the faithful to rally around the embattled Christian Democrat party.

The Christian Democrat party newspaper, *Il Popolo*, published verbatim the eight precepts that were presented by Dionigi Tettamanzi at the end of a meeting of the permanent council of the bishops' conference. The church has issued similar appeals for "Catholic unity" but it was believed to be the first time that ecclesiastical authorities have intervened publicly after an electoral campaign has officially started.

The bishops' statement outraged Bettino Craxi, the Socialist leader. "The bishops are interfering in the election campaign," Signor Craxi said. "This is a country that as an overall majority does not vote Christian Democrat."



Murphy's law gives humorist £88,000

AT THE end of a four-year court battle with serious implications for the way Hollywood does business, a Los Angeles judge has awarded \$150,000 (£88,000) to Art Buchwald, the humorist, and \$750,000 to Alain Bernheim, his partner, as compensation for providing Columbia with the idea for the hit Eddie Murphy film, *Coming to America*. They were to receive a share of the profits for their script, *King for a Day*. The 1988 film earned \$150 million in gross sales but, thanks to the arcane accounting used by Hollywood, Columbia insisted it made no profit. The writers had sought \$6.2 million.

A former boxing champion has been appointed Keeper of the Queen's racing pigeons. Carlo Napolitano, aged 50, will run new lofts to be built at Sandringham. Mr Napolitano, an amusement-machine supplier and former Eastern Counties boxing champion, will look after the Queen's flock of about 100 pigeons; his predecessors kept the birds at their homes. "I will breed, train and race the Queen's pigeons, and hope to

continue the many successes she has had with them over the years," he said.

Sir John Hall, chairman of Newcastle United, is providing 1,000 tons of soil from the grounds of his home at Wynyard Hall for Durham county cricket club's Test-standard wicket at its planned £45 million headquarters at Chester-le-Street, it was revealed yesterday. Don Robson, the chairman, said yesterday: "The best soil for a new wicket is clay-based loam and that is what Sir John is giving us."

The film star Charlton Heston has joined the battle to save the former home of the pioneering Victorian photographer Julia Margaret Cameron. Builders intend to demolish the house at Freshwater, Isle of Wight, to make way for a block of flats in spite of protests. The group trying to save Cameron House from the bulldozers has been given the chance to buy the building by the developers and is trying to raise more than £200,000. Heston is to help contact American fans of the photographer.

Ballot offers no way out for Albania's ills

FROM ANNE MCELVOY IN TIRANA

THE dapper Albanian businessman in the next seat had just finished his complimentary champagne and packed away most of his in-flight meal as a present for the family. As the plane shuddered to a stop on the potholed tarmac, he pointed out of the window. "Sheeps," he said mournfully. "Sheeps on the runway. There is no order now in Albania."

Sure enough, a couple of scraggy ewes had liberated themselves from the flocks in the fields flanking the landing strip and were tugging at grass in the runway verge oblivious to flight 458 from Zurich.

Being disgorged from the daily Swissair flight at Tirana airport is rather like leaving the womb. One minute a fastidious stewardess with a satin bow in her hair is expressing the fervent wish that you will travel with her again. The next, a dwarfish official with dandruff cascading onto his frayed blue uniform is at the bottom of the steps demanding to see passports before disembarkation. This is all the more curious when one considers that Albania's main problem is not people trying to sneak in but clamouring to get out.

In the run-up to Sunday's election, the country is blighted by food shortages, unemployment, and spiralling violent crime. Few now doubt that the Democratic party led by Sali Berisha, a founder member of the main opposition in 1990, will wrest control from the Socialist party, which is considered too involved with the communist past to be credible.

Neither party can offer a remedy for Albania's problems, the result of decades of self-imposed isolationism and neglect. But the Democrats at least represent change and a new set of faces, psychological



Turkish blast caused by police

Istanbul: Ismet Sezgin, the Turkish interior minister, said that the police were responsible for a series of explosions that yesterday damaged the Istanbul headquarters of their political bureau (Andrew Finkel writes).

Two policemen died in the blast which, according to official sources, happened while experts were trying to render harmless bombs which had been taken to the anti-terrorist squad for disposal. The government acted quickly to disclaim speculation that the bombs had been planted by Kurdish separatist groups.

Mr Sezgin's statement did not make clear what the police were doing with unexploded bombs in their building and why they were keeping them in an annex right next to the petrol pumps used to supply police vehicles

Reporters' toll

New York: Sixty-six journalists in 17 countries were killed on duty last year, with the civil war in Yugoslavia alone claiming the lives of 19 reporters, the New York-based Committee to Protect Journalists said. (Reuters).

Activist dies

Copenhagen: A bomb killed an activist, aged 29, at the headquarters of the left-wing Internationale Socialister. The blast was the first fatal attack since the second world war on a political organisation in Denmark. (AFP)

Race questions

Stockholm: Police at the airport questioned Robert Faurisson, the French historian who claims the Nazi extermination of Jews is a myth, before letting him into Sweden, where it is a crime to incite ethnic hatred. (Reuters)

Navy's last call

Manila: American ships have docked for the last time at the US Navy's Subic base in the Philippines, which is to close later this year. Continued American access to Cubi Point naval air station is being considered this week.

Keating attack

Melbourne: Paul Keating, the prime minister, has again criticised Britain over its war record. Denying "pom bashing", he said: "Our sacrifice in world war one for Britain was not reciprocated in kind in world war two." (AP)

Might of Le Pen assails election-fatigued Marseilles

FROM PHILIP JACOBSON IN MARSEILLES



Fighting talk: Bernard Tapie, the Socialist-aligned opponent to Jean-Marie Le Pen

NO CITY in France has more of an appetite for street politics than Marseilles, but the final flurry of campaigning for next Sunday's regional elections is wearing the locals down.

At least 30 meetings were scheduled yesterday as candidates across the political spectrum and pressure groups from feminists to the hunting, shooting and fishing lobby put in one last effort to pick up support. Canvassers armed with leaflets lurked on every street corner and opinion pollsters roamed the supermarkets, clipboards poised.

What have local people done to deserve this, especially in an election where the rate of abstention seems certain to exceed the winning party's share of the

vote? The answer lies, of course, with Jean-Marie Le Pen, who many months ago selected the Provence-Alpes-Côte d'Azur region as the point of departure in a personal crusade that he truly believes will end one day in the presidential palace.

Mr Le Pen views the regional contest as a curtain-raiser for next year's parliamentary elections; the object of the present exercise is to establish the National Front as a viable mainstream party and himself as a leader of national stature.

At his final rally on Monday night, stage-managed to perfection like those before it, his theme was that "the eyes of France are fixed upon Marseilles". True: almost everywhere else, voters

are profoundly indifferent, most notably to established parties.

What Mr Le Pen understands, as do journalists drawn here to cover him, is that the front's campaign is newsworthy. The vicious slanging matches with Bernard Tapie, his chief opponent who is aligned with the Socialists, and the furious assaults on Edith Cresson's government of "crooks and gangsters", gleefully repeated after she initiated legal action to restrain him, are central to his strategy.

Every time Mr Le Pen has swept out onto his transportable electoral platform to the slaves' chorus from Verdi's *Nabucco*, he is presenting himself to a national constituency that has rarely been so disgusted with tra-

ditional politics. If that means toning down the crudity of his racial message and soft-pedalling on the more brutal aspects of the party's immigration policies, so be it.

During his final rally here, a few thousand people assembled to demonstrate abhorrence of everything he represents. A black student recalled that Marseilles had rudely rejected Mr Le Pen when he gave them the opportunity to send him to parliament in the 1988 general election, but his support in the region now is estimated at nearly 30 per cent.

Protests and violence have accompanied his campaign. Yesterday in Paris a bomb blasted the gates of the Zenith concert hall before a rally he held there.

Clinton for the White House

The Democratic challenger can beat Bush, writes Conor Cruise O'Brien

Governor Clinton has a good chance of becoming the next president of the United States. He will almost certainly win the Democratic nomination. It is being said that he is vulnerable to a renewed outbreak of scandal. What he has shown, however, is that he is capable of recovering quickly from the wounds of scandal, even benefiting from the accusations through the name-recognition factor. When Mr Clinton's name is mentioned nobody any longer asks who he is.

It is possible that some future scandal will remove him, but if so it will have to be a juicy one, and above all fresh. Another item out of the governor's past is unlikely to do the trick. If it is shown that he slept (in the past) not merely with A, but also with B or even C, the probable effect will be boredom rather than shock. You would have to have an incident on the campaign trail, as in the case of Gary Hart. But Mr Clinton is not the least like Mr Hart, who was a political suicide. He was womanising during his campaign and when challenged dared the media to follow him around. Nobody who knows anything about Mr Clinton believes him to be capable of behaving like that. He wants to be elected.

People on this side of the Atlantic are inclined to underestimate Mr Clinton. This is partly because of a British (and European) tendency to disparage all American politicians. Partly it is due to Mr Clinton's campaign style: folksy, populist, that big grin. Partly it is an effect of the sex scandal, with rumours of others. All this has created a vague impression that the governor is a lightweight. He is nothing of the kind.

Bill Clinton is an intellectual, though he has sense enough to disguise the fact on the hustings. His wife, Hillary, is a most formidable intellectual: a leading authority in the United States both on the laws that affect women and on the laws that affect children. She is also a good hand at crisis management, as she demonstrated on television.

Mr Clinton himself is a highly effective politician who appears to have solved the racial dilemma that has bedevilled the Democrats for more than a decade. Their difficulty is: how can you hold on to black votes without espousing policies that cause you to lose so many white votes that you lose everything? Mr Clinton is the candidate of the Democratic Leadership Council and its think-tank, the Progressive Policy Institute. He is the candidate, that is to say, of the right of centre of the Democratic party: the choice of those who want the party to refrain from wailing blacks by offering policies that lose white votes. Obviously the danger, in following the prescription of the Democratic Leadership Council, is that the Democrats will lose the black votes they also need if they are going to

recover the presidency. This is where Mr Clinton comes in.

In his own state, Arkansas, Mr Clinton has demonstrated his capacity to win and hold both black and white votes. That capacity won the governor the influential support of the party's leadership council for his presidential campaign. The question remained whether what worked in Arkansas would work in other states. By this stage in his campaign Mr Clinton has triumphantly demonstrated that it does. Throughout the south, and also in the great cities of the north, he has demonstrated that he can win black votes without saying things that frighten off whites. Mr Clinton is therefore the answer to the prayers of the Democratic party, and seems set to be their nominee.

But can he then go on to beat George Bush? That will probably depend on whether the recession lifts. If it is still hurting come November, I believe Mr Clinton will beat Mr Bush.



Clinton: his appeal across racial barriers is the key

Many Americans blame Mr Bush personally for the recession, and if he is not seen to have got rid of it, they are going to get rid of him. This will be the first presidential election since 1948 not to be fought with an awareness of a Soviet threat in the background. The effect of the removal of the Soviet threat is likely to lower the value of being the presidential incumbent. The factor of people wanting to "stay behind our leader as he faces the foreign enemy" is gone. Mr Bush is said to be contemplating a recovery of the factor by attacking Iraq. This would probably not work. Desert Storm was good for Mr Bush's popularity, but that does not mean that Son of Desert Storm would have a similar effect. Why, after all, should it be necessary? Why did Mr Bush stop Desert Storm if Saddam Hussein is such a danger to the United States? Mr Bush has no satisfactory answer. The truthful answer is the State Department's advice: "We need a strong Iraq." But that can hardly be trotted out if the president has just gone to war with Iraq for the second time. So probably nothing can save Mr Bush, except an end to the recession before November.

Otherwise (and barring a juicy, fresh scandal) it is going to be Mr Clinton. I hope so. I should like to see a president with a decent, sane record on race relations replacing a president who used some coded appeals to racial ill-feeling to get himself elected in 1988.

But are there not other issues than race relations? There are, but I see no reason to believe that Mr Bush is better at any of them. Mr Clinton is more intelligent and has a host of wise and well-informed friends, as *The Wall Street Journal* has shown. In the matter of race relations Mr Clinton towers over Mr Bush. His presence in the White House would have a healing value for America. It would also tend to improve race relations in the rest of the world.

Kingsley Amis thinks the old have as much right to misbehave as the young, says Philip Howard

Glad to be grey

Old age is something that the British have grown peculiarly bad at since the Sixties. Other nations revere the old as wise, or endure them as everlasting presidents, or adore them as live-in childminders and household comforters. We bang them coldly away in Stalag-79s to die, out of sight, out of mind, in case they embarrass us by their memento mori that to this favour we must all come. Or we bully them with bossy social services. And we patronise them with dreadful sentimentality. If at the age of 90 you can eat a fish finger with a fork in England, they think you deserve a Nobel prize and squeal at you on the soppy Esther Rantzen show. If you survive to your century, you get a telegram from the Queen. And yet the old are people like the rest of us. Any fool can grow old. All you have to do is live long enough. In Britain growing old is like being increasingly penalised for some crime you have not committed.

This month we are bringing the old out of the closet and discussing the unmentionable topic of old age. Veteran politicians such as Denis Healey and Norman

Tebbit, Roy Jenkins and Barbara Castle, pop up continually on our television screens to comment on the election, being put through their hoops by that irascible old buffer in the bow tie, Robin Day. They do it with a style and pungency undreamt of in the bland marketing men's charm of their juniors.

And television sitcom and drama have become much concerned with age from *Till Death Us Do Part* to *One Foot in the Grave*. On Monday night the first of three episodes of Kingsley Amis's *The Old Devils* was screened, the last blast of the trumpet of the elderly against the monstrous regiment of youth. The programme can also be interpreted as an awful warning against the demon drink. Seldom a scene flits by without litres of cheap Italian wine being drunk by the women, and assorted stiff brownies and other spirits being swilled by the old boys. Alternatively it can be viewed as a

satire on the unjustified smugness of wearers of the disgusting Garick Club tie, a bilious mixture of avocado and smoked salmon, and also as a disabbling commentary on the Welshness of the Welsh: a ghastly leitmotif of never say Dai.

But the main message of the book and the programme is that the old have as much right as the young to behave badly. It is Juvenalian, not Jolly. A lot of people do not like this theme, finding it unrelentingly bleak. The English are uncomfortable with old age: Amis is furious about it, and frightened, and funny for those with strong nerves. The sensible attitude is that old age is always 15 years older than you happen to be at present.

When *The Old Devils* won the Booker Prize in 1986, Amis turned up at Guildhall in black tie and brown brogues because he could no longer squeeze his feet into his patent-leather half-boots. One of the concealed blessings of

old age is that you stop being embarrassed about how you look. He was seated next to an unknown middle-aged American female whom he took to be a Booker attachment. This was tactless placement, though even the Archangel Gabriel would have been a testing neighbour for Amis in the circumstances. After the woman had pestered him for some time about whether he minded her smoking, and whether she could give him a cigarette, she asked: "Isn't there anything I can do to please you?"

On Sir Kingsley's lips trembled the retort: "Actually, there is—you see that opening at the far end of the room there, that's called a door, and you can please me no end by going through it and staying out." He claims, unpersuasively, that he is far too nice and cowardly to have said anything so rude. But in his factional hymn of comic bile to gerontocracy, the rude life is all there. In one

of the funniest scenes in the first episode, the unveiling of a pseud modern sculpture to a professional welshing poet thinly disguised under the name of Brydan, Amis gets his own back on Dylan Thomas, whom he considers a very bad poet indeed: "False, sentimentalising, melodramatising, sensationalising, ingratiating."

Another advantage of old age is that one can say what one thinks without fussing about what is culturally correct. It is not necessary to be as grumpy about the inevitable process as Kingsley Amis. Few can be as blackly and tastelessly comic about such things as the humiliations of the flesh and the chilly Atlantic of the double bed, for those who can take black comedy on these forbidden subjects. It is a welcome sign of rude life, to quote Amis's least favourite poet, that he can rage, rage against the dying of the light in such an entertaining way. Give them a bit of time, and the English may come to treat their old, as well as women, and Jews, and blacks, as human beings. They had better, since old age is coming to us all—except perhaps the lucky ones.

Where pips will squeak

Labour's budget would hit the middle class hard while giving little to the poor, argues Anatole Kaletsky

The first reactions to John Smith's shadow budget conveyed a sobering, if all too familiar, message. The British education system has left the people of this country completely unable to understand numbers. The blame for this illiteracy should not be confined to the much-maligned comprehensive system. The great public schools and ancient universities that educated most of Britain's political leaders, media commentators and middle class opinion-formers seem to have done an even worse job.

The evidence was there in the morning newspapers and was confirmed in the expanding lead for Labour in today's Mori poll. The nation seemed to agree Mr Smith had scored two brilliant political coups. His plan was ingeniously designed to benefit 90 per cent of voters while hurting only 9 per cent. Even more cleverly, he was achieving a huge redistribution of income while keeping the top rate of tax below the 60 per cent that prevailed under the Tories until 1988.

The hapless Norman Lamont, ill-prepared by his handlers at Conservative Central Office, seemed floored by these apparently incontrovertible statistics. Alan Beith was reduced to spluttering about Labour's need for more radicalism. Mr Smith clearly felt he had all but won the election. Yet anyone with a head for numbers could readily have seen that Labour had given an immense hostage to fortune. In fact, Mr Smith may have thrown away Labour's greatest opportunity to prise away tens of thousands of middle class voters disaffected, and in some cases all but ruined, by the government's economic mismanagement.

Previous Labour governments, for all their faults, showed that a compassionate society did not have to be ruinously expensive for the middle class. But instead of trying to make socialism compatible with individual advancement, Mr Smith has deliberately created

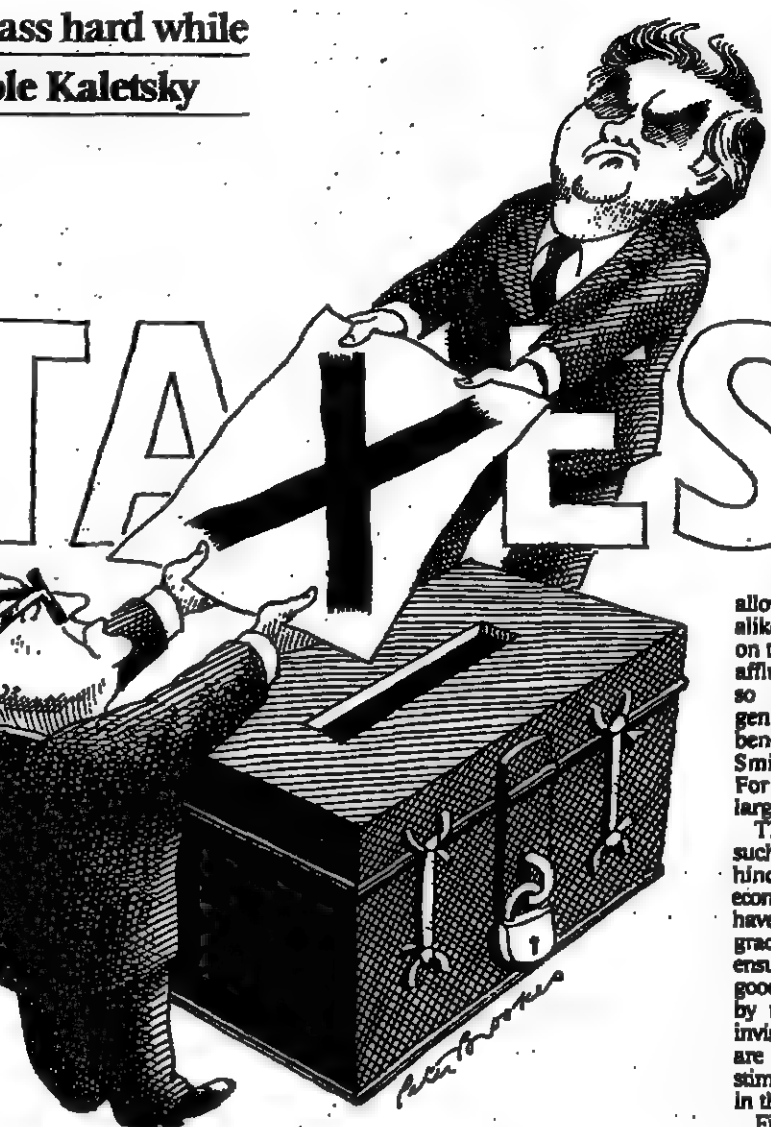
a tax structure more punitive to the middle class than any previous Labour government's.

The fact is that the ratio of gainers to losers and the level of the top tax rate are both irrelevant numbers. Far more important than the number of gainers, not only for the economic well-being of the people affected but also for their electoral motivation, is the amount they stand to gain or lose. Far more important than whether the top rate of tax is 40 per cent, 59 per cent or 99 per cent is the income level at which the taxes start to bite.

Consider a simple example: a budget where the ratio of gainers to losers would be 57 million to one. My budget would create a new benefit payable to every man, woman and child in Britain, at a level of one penny weekly. The cost would be £30 million yearly. All of this would be raised through a new top tax rate of 99 per cent on annual incomes above £100 million. Every voter in Britain would benefit from my budget. The only loser would be the Duke of Westminster, who would pay the new 99 per cent tax—and he is not allowed to vote.

Now consider the widely quoted budget analysis by the Institute of Fiscal Studies. The IFS confirmed that 80 per cent of families would gain from Labour, and that 48 per cent would gain more from Mr Smith's proposals than from Mr Lamont's. These were the figures that left Conservative apologists dumbstruck on Tuesday night.

Now take a closer look at the figures. The IFS shows that for every category of employed taxpayer—whether single or married, whether with children or without—there is actually an average net loss from Mr Smith's budget



relative to Mr Lamont's. Yet the IFS figures also show more gainers than losers under Labour, for nearly all family categories. How can this be?

The Conservatives, who seem no more competent in running the election campaign than managing the economy, have been stumped for an answer. Yet the truth is in the IFS analysis for all to see.

For most of Labour's gainers, the benefits are paltry, but for Mr

Smith's losers the costs are potentially huge. Families with incomes between £150 and £400 a week gain an average of 85 pence a week. For the big losers, by contrast, the losses mount very rapidly, from £3.60 a week at incomes of £500, to £11 a week above £600, and £105 a week above £1,000.

This analysis raises a fundamental question. Does it make sense to take very large sums of money

away from a relatively small number of people on moderately high incomes to finance imperceptibly small hand-outs to tens of millions of others who are slightly less well off?

This question requires moral, economic and political discussion, a discussion that should dominate the next three weeks of electioneering if the British political class ever catches on.

The moral point is whether it is necessary or desirable to help the poor through universal benefits that recycle vast amounts of money from the affluent to the slightly less well off. All of the redistribution announced by Mr Smith was untargeted. Child benefits, pensions and tax allowances go to rich and poor alike. Assuming there is any limit on the money to be taken from the affluent, the policy of spreading it so thinly leaves little for those genuinely in need. The average benefit for single parents from Mr Smith's proposals is £1.74 a week. For the unemployed, Mr Smith's largesse is worth 53p.

The economic issue is whether such redistribution will help or hinder recovery. It is a tenet of economics that big, sudden changes have more impact on demand than gradual small ones. Mr Smith will ensure a collapse in demand for the goods, houses and services bought by the middle class. The almost invisible gains to the rest of society are unlikely to compensate for stimulating their spending, at least in the short term.

Finally, there is politics. Labour strategists seem genuinely to think they may sway the 48 per cent of grateful voters who will benefit more from Mr Smith's budget than Mr Lamont's. But will gains of 85p a week really motivate voters? Certainly not as much as the very large losses suffered by the middle class. There may be far fewer affluent families, but in the South-East particularly they could have a crucial impact on the election. For when voters find their living standards needlessly threatened, they may turn out to be more numerous than the chattering classes.



...and moreover
ALAN COREN

I have just sent the Buddha a letter. It seemed the least I could do. As a matter of fact, it was the least I could do. I shall explain this later. Until then, you could think about it. The meditation will be good for you. Indeed, you might find it so good for you that, after a bit, you will feel like sending the Buddha a letter, too. I am of course simplifying the contemplative process a bit, but then I am new to the game. At least, as far as I know I am: given its reincarnative element, I may well have been a Buddhist last time round, which could explain why I am currently taking to it like a duck to water. Unless I was a duck last time round, which could also explain it.

Where was I? Ah, yes (it's amazing what a bit of a hum with the eyes shut will do). I was about to offer you my best wishes for the Year of the Male Water Monkey. It has just begun, as I discovered this morning when I received a greetings card to that effect from Akong Tulku Rinpoche, the Abbot of Samye Ling. Samye Ling is in Eskdalemuir. Scotland never ceases to surprise me. If I become more of a Buddhist, mind, it will surprise me less and less, because everything will, that is the way of Buddhism, but it's a small price to pay, I feel.

It's the first time I've had a New Year's card from a Buddhist abbot. That alone would have been enough to start me contemplating, never mind

turning the card over to find out what the picture on the front was and discovering that it was a view of the Clyde sponsored by Aerofilm of Borehamwood, showing Holy Island, a small green blister, and part of the Isle of Arran off which it lies. Given all this, the mind thrummed: you didn't know where to start contemplating. I had got as far as wondering whether the Aerofilm pilot was a Buddhist, too, also had he flown all the way to Arran from Borehamwood without refuelling, it's a long pull in a Cessna, say four hours, you'd have to take sandwiches, were Buddhists vegetarians, did they drink, what did a pilot do when he was up there and the need for a bit of a meditate came over him... I'd got this far. I say, when I noticed that the envelope was not yet empty.

I shook it out and found a daily timetable from Samye Ling explaining when they had meditation (8am) and when they had soup (6pm), a note from Chris Bonington, and a letter from the abbot which, as you would expect, suddenly made all the disparate elements fall into place with astonishing clarity. He wanted £169,000.

If he gets it, he will buy Holy Island for a retreat. Holy Island was dead right, he explained, because it had been sanctified by the intense contemplation carried out there in the 6th century by St Molaise. I bought St Molaise in my Penguin Dictionary of Saints but he wasn't there, so I phoned *The Tablet*. They had never heard of him,

but promised to phone back, leaving me free to contemplate Chris Bonington's note, which was made up of little boxes numbered from £10 to £100, with a rider to the effect that donations of over £500 would enable the Buddha to receive tax on the donation. I was still meditating on this when *The Tablet* rang back to say that St Molaise normally traded under the name of St Lasdarian. He had died in 639, after voluntarily accepting an illness composed of 30 different diseases, thus gaining exemption from Purgatory.

A bizarre deal, which made my contemplation very away from Chris and tax, because I was stunned to hear they had discovered 30 diseases by 639. I tried working out how many diseases we have now, and only got as far as 23. After that, I began meditating on why Chris and the abbot had selected me as a potential punter. The package probably cost about £4 to produce, including postage, and they were after only £169,000. It couldn't have been worth spending more than—what?—£4,000, how did they decide that I should be one of the 1,000 chosen out of a population of 60 million?

It was at this point that I sent them the cheque. Which, yes, proved they had got it right. Clearly, the Buddha knew a thing or two about human nature. He had sensed that a whole day of entirely novel meditation had to be worth a tenner of anybody's money.

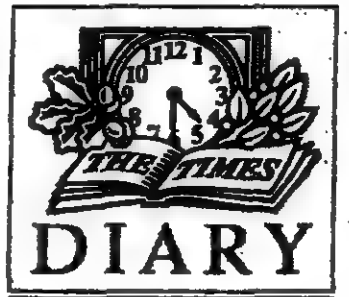
Manifesto meteor

IF THE electorate delivers a favourable verdict on the Tory manifesto, to be unveiled this morning, much of the credit will go to an unknown 31-year-old Cambridge graduate who first met John Major at a Chelsea football match.

Jonathan Hill, plucked from the obscurity of the Downing Street policy unit only last week to become the prime minister's political secretary, immediately became one of three key figures in the writing of the final draft of the Tory blueprint. The trio, known in Tory circles as the "elite team", saw Hill lining up alongside Sarah Hogg, head of the unit, and Nicholas True, a fellow member who has written most of the prime minister's speeches on the Citizen's Charter. The threesome have worked in Downing Street rewriting the 30,000-word document round the clock since Major announced the election.

Hill, who will be by Major's side throughout the campaign, has overnight become one of the most rapidly rising Tory stars. He first met Major last year at Stamford

One of the shortest
Suicide notes in
history



Bridge when working as a special adviser to Kenneth Clarke. A graduate of Trinity College, he worked in the City before joining Central Office five years ago.

Labour's manifesto, also due this morning, is similarly a composite job. Charles Clarke, the head of Neil Kinnock's office, has been heavily involved, as have frontbench spokesmen in their respective fields. But the key figure, as ever, has been Geoff Bish, the party's head of research. One of Labour's greatest survivors, Bish has been involved in the writing of every manifesto since 1979, when he publicly lambasted James Callaghan after Labour's defeat for ignoring key left-wing policies. Partly as a result Bish got his own way in 1983 when he persuaded Michael Foot to adopt the manifesto, which swiftly became known as "the longest suicide note in history".

After being virtually expunged from the last edition of *The Conservative Campaign Guide* published last year, Mrs Thatcher is back with a vengeance. The revised 423-page document due to be sent to every Tory candidate this week is littered with reinstated references and quotes from the former leader. It even contains a cheery word from Mrs Thatcher in the foreword designed

to give heart to those Tory candidates who still fear the true faith has been abandoned. The guide also contains another innovation as a result of criticism of the prime minister's all-male cabinet: a 12-page chapter on women's rights.

Hard times

IAN MAXWELL is finding life hard on the meagre allowance the administrators are allowing him—but that did not prevent him enjoying a convivial supper at the fashionable west London wine bar, "192", at the weekend.

His evening was almost spoiled before it started when he and his wife Laura unwittingly found themselves seated at a table next to the journalists Simon Freeman and Walter Ellis. They were hardly the pair Maxwell most wanted to meet on a Saturday night out: both had been sacked by the Maxwells from *The European* last year. "There was a certain awkwardness," says Ellis. "But the ice was soon broken when Simon, who had not even at first recognised Maxwell, ordered a round of drinks and told the waiter to put them on Ian's bill." Maxwell himself perused the wine list for some time before telling the waiter: "I think just the house white." Clearly the administrators have not been over-generous with the allowance.

"Ian looked a bit dishevelled," says Ellis. "He said he missed his dad and was drained by spending ten hours a day with the lawyers." Maxwell's wife Laura, who hails from Chicago, looked elegant but appeared to have had even greater difficulties in adapting. Ellis says: "She complained bitterly about the way they had been treated by the 'intrusive' British tabloids." She then announced that she and Ian would be leaving Britain for good at the first opportunity.

Old irregulars

LORD CALLAGHAN, Labour's last prime minister, gathered together his old staff from Number Ten last night to celebrate his 80th birthday. The private party at Green's in Westminster drank champagne toasts not only to the former leader's imminent birthday but also to the new Labour team the old-timers hope will take up residency in their old address after April 9.

At least, most of their number did. One exception was Tom McNally, Callaghan's former political adviser, now a leading Liberal Democrat. He was shunned by former colleagues for years after defecting to the SDP but was greeted last night as a long lost brother. But then 13 years is a long time in politics and only one of Callaghan's old team remains closely involved with Labour politics: Jack Cunningham, then Callaghan's PPS, who arrived hot-foot from a meeting of Labour's election high command.

After the success of the sequel to *Gone With the Wind* comes the final instalment of Dr Zhivago, some 35 years after Pasternak's novel was first published. The loose ends are to be tied together in *Lara's Child* by Alexander Mollin, and film rights are already being discussed. Mike Nicholson, senior tutor in Russian at University College Oxford says: "Lara disappears, according to the novel, never to be seen again, and the future of her daughter is left dangling. It is the obvious thing to follow her life through the end of Stalinism." In fact the real-life *Lara*, Olga Ivinskaya, mistress of Pasternak and now in her 80s, still lives in Moscow. Her sojourn in the Labour camps surely makes more compelling reading than the strongest fiction.



BUSINESS TURNED AWAY

When the stockbroker James Capel surveyed 105 top companies last month, 86 per cent thought a Labour victory would be bad for the economy and 63 per cent that it would be bad for their business. Yesterday *The Times* published a letter from 43 company heads calling for the retention of a government that has revived the spirit of enterprise, barely concealed code for the Tories. The letter invoked the 1970s, "when overseas businessmen were genuinely sorry for you if you happened to be British", as evidence of the harm a Labour government would do to the economy. Today Labour-supporting industrialists reply. Is industry right to fear Labour or is its antipathy no more than a reflex?

Certainly Britain has changed drastically since the 1970s, thanks mainly to Margaret Thatcher. She made Labour realise that fiscal prudence wins votes. Already this election has seen a veritable Dutch auction of budgetary responsibility, albeit in a context of high public borrowing. John Smith, the shadow Chancellor, makes as much of his Scottish frugality as Mrs Thatcher ever did of her Grantham shopkeeper's thrift — and has succeeded in convincing much of the City accordingly. Moreover, with sterling in the European exchange-rate mechanism, no governing party would have the leeway to borrow and spend much more than the Conservatives already plan to do.

In the past 13 years industrialists have often found themselves in opposition to the Tories. The CBI has loudly demanded lower interest rates, as well as more spending on transport infrastructure, tax relief on investment and more support for training, research and development. Labour has been quick to seize the opportunity. Years in opposition have made the party a vehicle for lobbyists disaffected with details of government policy.

This week, Mr Smith promised to improve transport, bring in capital allowances for investment and offer seedcorn money for R & D. He would make the jobs of company chairmen safer by suffering take-over rules. He would spend more on supply-side improvements to education and training. The release of receipts from council house sales would produce a welcome boost to the construction industry.

This is clearly not enough. Central to business's antagonism to Labour is the

party's continued devotion to retrograde policy attitudes. The trade unions may have been tamed by Mrs Thatcher, to Mr Kinnock's obvious relief, and Labour's employment spokesman, Tony Blair, is adamant that he would not unshackle them. Since the unions have no interest in swiftly damaging a Labour government, he may be believed. But Labour remains the party of the unions, is financed by the unions and ultimately must do what unions ask, as Lord Callaghan so painfully found in 1979.

Taken of the continued influence of the unions on Labour is the party's commitment to a minimum wage. Goldman Sachs estimates that it will directly affect over 15 per cent of employees. And it could have a knock-on effect on many more by squeezing differentials.

Worse, Labour would entrench such upward pressure on costs by abandoning the central plank of John Major's post-Maastricht European policy: a firm refusal to sign up to the European social charter. Although European cost comparisons are opaque, Britain outside the charter has a chance to close the industrial cost gap on Germany. With it, the gap could be frozen at its present level. With increasing numbers of continental businessmen deploring the impact of EC corporatism, for Britain to embrace such inflexibilities is madness.

The enduring hostility of the business community to Labour will have been exacerbated by Mr Smith's tax proposals. But it is not entirely self-interested. Many still fear that the party would not deliver what it promises. They find it hard to see a party that has really learnt from the mistakes of the 1970s. They fear inflation, higher interest rates and confidence not recovering but continuing to collapse.

In essence, private industry is simply not convinced that Mr Kinnock and his colleagues see the fostering of personal or corporate enterprise as a priority. The words private enterprise still stick in Labour's craw. Mr Kinnock may have backed off from renationalising all the privatised companies, but he shows no wholehearted conversion to free-market capitalism. He does not adhere to the principle of private wealth accumulation as the *sine qua non* for an efficient capitalist economy. Until he believes in it, he cannot expect business to believe in him.

GREENS AND THE TRUST

Between that quintessentially British institution, the National Trust, and the celebration of its hundredth birthday in 1995 lie two formidable obstacles. Both relate to the recent controversy over hunting. Some time in 1993 a working party on deer hunting will report back to the Trust's council. The issue of a hunting ban, postponed by setting up the working party in 1990, will have to be faced again. Members will also be expecting a report into the Trust's constitution.

Yesterday's annual report makes clear how important the Trust has become to the management of rural Britain and to the preservation of Britain's natural (and to an extent, architectural) environment. It is the largest private landowner in England, Wales and Northern Ireland — Scotland has its own body — holding some 573,000 acres. Being a sizeable farm landlord with 1,200 tenants, it is deeply affected by the present contraction in farming. With assets worth £343 million the National Trust is no longer in the amateur league.

Trust land is now part of the leisure industry, a primary economic activity in the countryside. How it manages this land will help set a benchmark for country management generally in the next few critical years. With one proviso: the National Trust's constitution is still of horse-and-carriage vintage. The business in which it is engaged is rife with single-issue enthusiasms and thus vulnerable to single-issue politics. At the Trust's 1991 annual meeting it was proposed that no resolution should be admitted for debate unless at least 10 per cent of the membership had signified its consent. That was defeated, but subsequently Lord Oliver of Aylmerton, with two members of the

Trust's council, were asked to review the constitution. The possibility of disruption by single-issue enthusiasts, from anti-hunting to vegetarianism, is only part of their remit. The other is the Trust's character as a grass-roots mass-membership organisation.

Twenty years ago the Trust had barely a quarter of a million members. The emphasis in its work was on acquisition and preservation, a conservative philosophy attracting conservative people. Now it is an organisation of more than two million. Some of these are young, eager and radical. They do not just want to preserve, they want to campaign. The National Trust thus risks becoming a battleground between groups whose primary aims and objectives are not the advancement of the Trust's broad aims, but victory over ideological opponents.

A recent editorial in *Country Life* warned: "Trust lands must not be allowed to become a state within a state, operating according to minority-imposed laws which are different from the law imposed by Parliament." So the Trust may need a federal structure of its 16 regions. Members would be able to vote in their regional councils, with national policy made by elected representatives from the regions. That would dilute the impact of single-issue campaigning. The result may be more a network of regional trusts, possibly even with divergent policies. But such pluralism is no bad thing in an ever more centralised nation. Establishing the proper tension between the local and the national is a task that will face every big organisation over the next decade, including the nation itself. But the Trust should hold fast to one principle: that its holdings are always "in trust for the nation".

ANIMAL FARM

The Communists have returned to Orwell's farm. Banned from holding an illegal meeting of the defunct Soviet parliament in Moscow, hardliners from all over the former Soviet Union yesterday repaired to the muddy chaos of a collective dairy farm in Podolsk. There, in the concrete assembly hall lit by torches after the power was turned off, 100 of the hardest of hardliners passed a string of resolutions that would have done credit to their Bolshevik forebears.

Solemnly declaring themselves the "Sixth Congress of People's Deputies," the disparate group, who included the "black colonels" Aleksis and Petrushevskis and the renegade dissident Roy Medvedev, elected a praesidium, lambasted former President Gorbachev and read out a prison letter from one of last year's putschists. Then a stern Krenin call to the bewildered local mayor brought proceedings and the whirl of Japanese film cameras to an abrupt halt. So much for the long-threatened vengeance of the old guard.

President Yeltsin's exiling of the malcontents to a farmyard was a mistake. Who would have paid any attention to their slogan-ridden meanderings had they assembled, with their red flags and portraits of Lenin, in School No 36 of the southwestern Moscow regional district? Have not all revolutionary movements begun in incongruous surroundings?

The French Revolution was hatched on a tennis court. The Levellers met in a Putney church. A table of drinkers in a Munich beer cellar poured out their bitterness with their

liquor and planned the destruction of German democracy after the first world war. The All-Russian Social Democratic Labour party — which split into Bolsheviks and Mensheviks — were chased out of Brussels by the police and continued their second congress in Tottenham Court Road, while their leaders took to the top decks of London buses, muttering "two nations, two nations".

Venues maketh the myth. The xenophobic Chinese communists first gathered in the foreign-dominated city of Shanghai. The image of the Social Democratic Party was for ever fixed by the environs of David Owen's drawing room in Limehouse. The barons who determined the course of English democracy confronted King John in the waterlogged meadows beside the Thames.

Great issues of war and peace have been settled in the oddest places, trains being a particular favourite. The end of the Great War and the French surrender in 1940 took place in the same carriage. The leaders of South Africa and Zambia discussed the future of southern Africa in a train parked on a bridge over the Victoria Falls.

People remember best what is said and done in bizarre surroundings. British politicians have yet to learn the lesson. Who can recall which party said what, at Bourne-mouth, Brighton or Blackpool? Future conference organisers could usefully sound out some less conventional sites. The Lib Dems should assemble in an elegant National Trust property. The Tories should plump for anywhere in Essex. And the Labour party should go looking for the end of Wigan Pier.

LETTERS TO THE EDITOR

1 Pennington Street, London E1 9XN Telephone 071-782 5000

Labour's budget proposals and the business interest

From Lord Hollick and others

Sir, As business people we would like to welcome the innovative and prudent budget presented by the Labour party. It sets the framework within which a real recovery out of recession can at last begin.

We particularly welcome the provision of capital allowances which will provide a substantial incentive to bring investment forward this year. We also welcome the new programmes for training and for the construction industry, and the initiative in transport. All these are measures for which business has been calling for months.

The redistribution of income from the top 10 per cent to everyone else will provide a welcome net boost to overall demand in the economy. The Labour party has indicated its commitment to industry and to long-term investment. It is a commitment this country desperately needs.

The above reflects our personal views and not necessarily those of the companies with which we are associated as chairman, chief executives, or in other capacities.

Yours sincerely,

HOLICK, ALAN KIN, JARVIS ASTAIRE, JOANNE ALEXANDER-MOORE, LES BROOK, CARMEN CALLIL, RAY CARTER, CHARLES CAVANAGH, DEREK CLEE, BARRY DELANEY, ROY DONNELLY, DAVID EVANS, DENIS FORMAN, GERALD FRANKEL, LYNNE FRANKS, DAVID GOLDSTONE, GREGSON, GERRY GULLIVER, PAUL HAMLYN, PHILIP HUGHES, MICHAEL KELLY, H. KUMAR, AMIN MARFANI, SARAH MACAULEY, EDWARD MACAULEY, MARTIN MONTAGUE, MICHAEL MONTAGUE, BARRY MUNDAY, BRIAN OAKLEY, JOHN NORTON, SWRAJ PAUL, KIM PENDERY, JOSEPH PICCIONI, DAVID PITT-WATSON, JOHN PREVERT, NUT FURI, RICHARD RAMAGE, DORIS SAATCHI, TONY SMITH, House of Lords.

From the Chairman and Deputy Chairman of the Labour Finance and Industry Group

Sir, This group represents some 200 men and women in senior positions in business, finance and industry. Like the signatories to your letter today "Businessmen and the election", we too think that British business should urgently consider the longer-term implications for their businesses and employees of a change in government. However, we come to a different conclusion.

The achievements of the "enterprise economy" discussed in the letter are considerable, but the current recession indicates that they ended in about 1989. We must move on, and to do this we have to correct the serious deficiencies which have appeared in our economy and correct some of the more alarming social effects of the "enterprise economy" on our country.

The most serious deficiency is the flood of imports. The "enterprise economy" has not created the manufacturing base which is essential to maintain a high standard of living for all of us in this country.

Labour's budget and policies encourage the innovation, training and investment necessary to halt this slide and reverse it. Without this we shall have a continuing balance of payments crisis and be unable to maintain our position in the European monetary and business union.

Secondly, the "enterprise economy" has not provided the public services and infrastructure which industry needs to be successful. The crumbling deterioration is obvious to us all and we and our employees deserve better.

The "enterprise economy" will never survive in a society lacking in social justice and quite simply this government has got the requirements of social justice and industrial progress out of balance. Labour's policies move to correct this. The most conclusive proof of misrule is

that this government has filled the streets with beggars.

Our members will be just as enterprising during the next 10 years with a Labour government; but that government will help direct some of our enterprise towards those areas where it is needed to create an economy and society of which we can be proud.

Yours sincerely,
SIMON HASKEL, Chairman,
SIGMUND STERNBERG, Deputy Chairman,
Labour Finance & Industry Group,
63a Ockendon Road, N1,
March 17.

From Mr Leonard W. Sheen

Sir, Labour's shadow Chancellor, John Smith, has now revealed his proposed changes to income tax and National Insurance contributions. With an effective marginal rate of 59 per cent he has clearly failed to learn the lessons of the past. It is no coincidence that with every successive top-rate cut introduced by Nigel Lawson, the amount of income tax collected increased.

However, of much more concern must be the impact of the proposals on inward investment. As we lose out to countries such as The Netherlands, who provide clear tax incentives to inbound executives, the United Kingdom will cease to be a favoured location for European and international manufacturing operations and corporate headquarters.

The effect of this will be to reduce investment, reduce economic growth, leading to a higher PSBR, a devaluation of the pound and double figure inflation.

Yours faithfully,
LEONARD W. SHEEN,
Summerville,
54d Hampton Road,
Teddington, Middlesex,
March 17.

Business letters, page 25

Turks and Armenians

From Mr Garo Berberian

Sir, Your editorial, "Levering for peace" (March 13), failed adequately to highlight the belligerent policy of the Turkish government towards Armenia and Nagorno-Karabakh.

Far from being an impartial party to the conflict, Turkey may be one of the chief obstacles to peace. Indeed, Turkey is already exploiting the conflict to defend a corridor linking the Azerbaijan-controlled enclave of Nagorno-Karabakh, inside Armenia, to Azerbaijan proper. This demand is additional proof that Turkey is pursuing pan-Turkish expansionist ambitions.

Armenians only ask that human rights and self-determination of the Armenian majority in Nagorno-Karabakh are defended.

It would appear from your editorial that Western appeasement of Turkish aggressiveness is based on "Ankara (being) poised to play a vital role (in) encouraging secular democracy in Central Asia". In so doing, however, the West may, for the second time this century, be blamed for tolerating crimes of genocide against the Armenians, similar to the one carried out by the Turkish government between 1915 and 1922.

Yours faithfully,
GARO BERBERIAN (Armenian Human Rights Committee),
24 St Anne's Terrace, NW8.

Poll tax collection

From the Director of Finance, Islington Council

Sir, I take exception to your reference to Islington Council having the highest surcharge in the country for non-payment of £124 (report, March 13). The figure you quote is that which appears as other adjustments on the bill. This covers a number of items of which the amount for non-payment of previous years' poll tax is only £50. This council has been unfairly highlighted for adopting a realistic and honest approach to setting and reporting its poll-tax levels.

The government has recognised the considerable difficulties in collecting the tax by extending the collection period from two years to six. In the light of this and current collection rates reported the amounts shown for non-collection in other boroughs seem somewhat low.

Yours sincerely,
A. R. STENNING,
Director of Finance,
Islington Council,
222 Upper Street, N1.

Scrolls scholarship

From Professor Robert Eisenman

Sir, I have only now had a chance to read the article which you published on December 27, 1991, by Professor Geza Vermes of Oxford, "Secrets of the Scrolls", aimed at reassuring your readers that there is nothing amiss in Dead Sea Scroll studies and attacking me — the third or fourth such attack on my views in your pages last year.

Referring to your own "uncritical" reporting, Professor Vermes uncritically quotes what he wishes your readership to believe are my views about a text referring to a "violent death" of a Messianic "leader" of some kind, within the framework of familiar Messianic prophecy.

The only claim I have made about this text is that it shows that both Qumran and early Christianity were

From Mr Ian J. Bowler

Sir, For you to suggest that Nakhichevan or Nagorno-Karabakh could be vacated in a compromise deal is to fly in the face of history and current fact. Nagorno-Karabakh never was Armenian. Access to Nakhichevan, a perfectly legitimate and undisputed province of Azerbaijan, has been denied by the Armenians.

You mention the danger of Turkey becoming embroiled. One must remember that Azerbaijan is in many ways historically and culturally closer to Iran and there are 12 million Azeri Shikhs living south of the Araks river. The real danger is from the Turks in Transcaucasia.

Azerbaijan has shown great forbearance in refusing offers of military aid from those quarters but in the face of irate public opinion may not be able to do so for much longer.

A refusal to recognise the legitimacy of the Azerbaijan stance in this conflict may well turn the whole of the Islamic world, including Iran, against the West again, with all the concomitant evil and disruption that stem from fundamentalism.

Yours faithfully,
IAN BOWLER, Secretary,
The Azerbaijan Foundation,
24 Poplar Place, W2,
March 13.

'Invisible' women

From Dr Gillian Morris-Kay

Sir, Janet Daley's article, "A race of invisible women" (March 10), perceptively describes the position of women in many large organisations, including universities. In its first annual report, written in December 1991, Oxford University's recently formed Equal Opportunities Committee (of which I am a member) drew attention to the fact that just under 4 per cent of the professoriate of the university was female.

Last week, 27 new promotions to professorships were announced; they are all male, bringing the female representation in this most senior grade of academic appointment down to 3.3 per cent. Not only are the women holders of academic posts invisible here, but so, apparently, is the Equal Opportunities Committee.

Yours faithfully,
GILLIAN MORRIS-KAY,
University of Oxford,
Department of Human Anatomy,
South Parks Road, Oxford,
March 10.

operating within the same Messianic scriptural framework, and brings the links between the two movements much closer than previously thought. Professor Michael Wise of Chicago University and I released it to combat the view that there was nothing of interest in the unpublished scrolls.

With his fascination with a Jesus-oriented form of Judaism, Vermes differs little from the other academic clerics who successfully dominated Dead Sea Scroll studies for so long and attempted to rescue the uniqueness of Jesus — c.f., the introduction to his Penguin translation of the Scrolls: "he (the Teacher of Righteousness) was without the genius of

Letters to the editor should carry a daytime telephone number. They may be sent to a fax number — (071) 782 5046.

A chilly view of Himalaya climb

From Mr Bill Ruthven

Sir, So a party of 30 climbers (virtually unknown and with little high-altitude experience) is planning to climb Makalu (report, March 12) whilst their 420 porters clear the estimated four tonnes of rubbish left by previous expeditions.

Whilst I applaud the sentiment, the project seems to be an anachronism: I would have thought that a team of this size was likely to make as great an impact on the environment as all their predecessors put together.

With British Telecom backing amounting to £250,000, the expedition also intends to send live pictures back to the BBC. This is hardly the technological breakthrough they would have you believe. Late in 1987 a Japanese expedition to Everest announced plans to beam live pictures back from the summit during prime viewing time in Japan on May 5, 1988. They achieved their objective, and pictures were later shown on ITV.

For a number of reasons it is unlikely that this expedition would have received the approval of either the Mount Everest Foundation or the British Mountaineering Council if it had submitted an application. What a pity that BT apparently took no action to establish either the bona fides of the trip from accepted mountaineering specialists or the approval of their shareholders before their magnanimous act.

Yours etc,
BILL RUTHVEN,
(Honorary Secretary,
Mount Everest Foundation),
Gowrie, Cardwell Close,
Warton, Preston, Lancashire,
March 13.

Profiting from geese

From the Chief Executive, Royal Society for the Protection of Birds

Sir, Kerry Gill ("Geese eat into farmers' profits", March 12) draws attention to the problems caused to individual farmers by barnacle geese on the Solway, but fails to present the full economic picture.

Damage to crops can cause financial loss to the individual farmer; however the cereals eaten by the geese might otherwise be expensive surpluses under the common agricultural policy.

The geese also attract many tourists to the area off-season. This boosts the local economy, but is of little benefit to individual farmers.

The solution is to ensure that these farmers are paid through the CAP to manage their land for geese. The RSPB has proposed linking agricultural support to the provision of "public goods", such as wildlife conservation, through incentives for environmentally sensitive farming. It is a more sensible option than trying to set arbitrary limits on the goose population.

The recent designation of several important goose sites, including east Essex and Islay in the Inner Hebrides, as ESAs (environmentally sensitive areas) provides a welcome opportunity to take this new approach.

Yours faithfully,
BARBARA S. YOUNG,
Chief Executive,
The Royal Society for the Protection of Birds,
The Lodge, Sandy, Bedfordshire,
March 13.

Unfair to Gibbon

From Mr P. M. A. Nokes

Sir, I must defend Edward Gibbon against the charge, levelled by Daniel Johnson ("Literary tortoiseshells", March 13), of idleness after completion of his *Decline and Fall*. Gibbon wrote the last lines of that great work on June 27, 1787, and then returned to England to oversee publication of the final three volumes which came out in May 1788.

Despite ill health and domestic upheavals he was by no means inactive during the remaining five and a half years of his life. His history of the House of Brunswick dates from this time, as does his essay on the circumnavigation of Africa. Moreover, this was the period when Gibbon composed his memoirs. And to the dismay of his friend and executor Lord Sheffield he produced no fewer than six different drafts of this minor masterpiece.

These are not the signs of an idle man. Indeed, further projects were mooted, and had Gibbon not been snatched away prematurely at the age of 56 (not 57) the world would almost certainly have read yet more from his silver pen.

Yours faithfully,
PHILIP NOKES,
Stoney Lane Cottage,
Chantry, Frome, Somerset,
March 16.

Under-developed?

From Mrs Peggy Harbridge

Sir, I have "inherited" from a young keen-keen photographer friend who is moving to Bristol a large quantity of those small plastic canisters that films come in. He had been hoping to recycle them, but it seems the manufacturers do not want to know. Can any of your readers suggest a suitable use for these objects?

Yours faithfully,
PEGGY HARBIDGE,
The Gift Shop,
St Margarets, Dover, Kent.

Messerer as the hero, Philippe, in *The Flames of Paris*

[illegible]

TODAY IN BUSINESS

FLATTENED

FEDERAL EXPRESS
Federal Express is cutting 3,500 British jobs as it withdraws from its express delivery service in the UK and Irish Republic, which once employed 8,000. Recession has flattened the express parcel market.
Page 21

FAST BALL

Dunlop Slazenger, Europe's biggest squash and tennis ball maker, is expected to be fined by the European Commission over competition rules.
Page 21

SIBLING

SIB
A report for the Securities and Investments Board recommends a new body to regulate private investment.
Page 21

UNDERMINED

A provision against the Channel tunnel project undermined George Wimpey, which lost £1.6 million last year.
Page 21

SLOW GROWTH

World trade grew 3 per cent last year, its poorest performance since 1983. Arthur Dunkel, Gatt director-general, says.
Page 20

THE POUND

US dollar 1.7340 (+0.0170)
German mark 2.8620 (+0.0041)
Exchange index 90.2 (+0.3)
Bank of England official close (4pm)

STOCK MARKET

FT 30 share 1940.8 (+9.9)
FT-SE 100 2491.2 (+20.5)
New York Dow Jones 3246.87 (+10.51)
Tokyo Nikkei Ave 19917.63 (+80.47)

INTEREST RATES

London: Bank Base, 10½%
3 month interbank 10½-10¾%
3 month eligible bills 10½-10¾%
US Prime Rate 6½%
Federal Funds 4½%
3 month Treasury Bills 4.07-4.08%
30-year bonds 99½-99¾

CURRENCIES

London: New York
£ \$1 7324
£ DM 2 8620
£ Sfr 2 8680
£ FF 16 7142
£ Yen 133 00
£ Index 85 0
ECU 10 714235
SDR 1 400059
SDR 1 250024
London: Frankfurt
£ DM 2 8620
£ Sfr 2 8680
£ FF 16 7142
£ Yen 133 00
£ Index 85 0
ECU 10 714235
SDR 1 400059
SDR 1 250024

GOLD

London: New York
£ \$343 35
£ DM 339 25
£ Sfr 339 75
£ FF 195 50
£ Yen 196 00
New York: Comex \$329 25-339 75

NORTH SEA OIL

Brent (Apr) \$17 85 bbl (\$17 80)

RETAIL PRICES

RPI 135.6 January (1987=100)
* Denotes midday trading price

1X

Deal will produce one of the world's largest banks with assets of £145bn

Midland and HK Bank to merge

Neil Bennett reports on the background moves

leading to yesterday's announcement that two big names in the banking sector are to join forces

MIDLAND Bank and HSBC Holdings, formerly known as the Hongkong and Shanghai Banking Corporation, have announced they are close to agreeing a £3 billion merger, 15 months after the previous negotiations were abandoned.

The combined bank will be one of the world's largest, with total assets of £145 billion, and a broader spread of international businesses than any of its rivals. The bank will ultimately be based in London.

Schroders, the merchant bank advising HSBC, is now thought to be preparing terms for a share offer for Midland of between 350p and 400p a share, which would value the bank at up to £3.1 billion, and compares with a net asset value of 299p a share. The terms are likely to include a cash alternative, although HSBC has confirmed it has no plans for a rights issue.

A joint statement yesterday morning revealed that the two banks had resumed merger negotiations. The boards of Midland and HSBC have agreed that a merger of the two groups would now be in the best interests of both companies and their shareholders, it said. "It is envisaged that the merger would be achieved by

a recommended offer by HSBC for Midland which would value the shares at a significant premium to their current market price of 253p." Midland's shares soared by 87p to 340p on the news before settling back at 329p.

Details of the offer are expected to be published within three months, although the banks said no timetable has been set. Speculation about a bid for Midland had resurfaced in the City in recent weeks. Both Lloyds Bank and BAT Industries have been suggested as possible buyers, as well as a number of continental banks. The statement and the likelihood of an agreed offer from HSBC will now deter rival offers, but neither bank is ruling out the possibility of a counter bid.

HSBC resumed merger talks with Midland after its results at the end of last month. These were better than expected, with profits rising from £11 million to £36 million. City analysts had been expecting a heavy loss.

The two banks abandoned plans for a merger in December 1990 due to rising problems in their own operations caused by bad debts. Now, however, Midland and HSBC are thought to have overcome the worst of their difficulties.

HSBC has also had prob-

lems with Marine Midland, its American subsidiary, and the Hongkong Bank of Australia, which have both fallen into losses due to bad debt provisions. Losses are now falling in both operations, however, and the bank continues to benefit from the strong growth in Hong Kong's economy.

One adviser said there was a real impetus behind the merger. "In 1990, both banks were focused on their own domestic problems and could not see beyond the next four weeks," he said. "Now both banks feel it is the right time to merge."

The banks have been linked since 1987 when HSBC bought a 14.9 per cent stake in Midland for £383 million. Since then, HSBC and Midland have swapped a series of overseas businesses and formed electronic links, through which the two banks' customers can use cash machines and transfer funds throughout the world.

A spokesman for Midland said the banks had issued the statement because they wanted to begin due diligence procedures before announcing a formal offer and there was a risk that the merger plans would leak.

HSBC is keeping the Bank of England informed since the central bank has the right to veto any takeover. The Bank has repeatedly stated its

opposition to the acquisition of core British financial institutions by overseas companies.

The proposed merger will also be examined by a series of regulators and could be subjected to an enquiry by the Monopolies and Mergers Commission or the European Commission's competition directorate.

In 1981, HSBC's bid for the Royal Bank of Scotland was blocked by the MMC. The commission said that the

ownership of the Royal Bank of Scotland outside Britain would act against public interest.

In 1990, however, Hongkong Bank set up a British registered holding company for the group, called HSBC Holdings. HSBC will try to reassure the Bank of England that control of Midland is not moving overseas and the group will move its headquarters to London by the middle of the decade.

John Mulahy, research director of Peregrine Securities, said: "We have been expecting Hongkong Bank to make a move on Midland, either to

Colony surprised at merger timing

FROM LULU YU IN HONG KONG

SHARES in HSBC Holdings are expected to tumble today despite Hongkong Bank's assurance that there will be no rights issue to finance its takeover of Midland.

Last night, analysts in Hong Kong were surprised and sceptical about the merger, which could weaken Hongkong Bank just after it has recovered from a spate of huge losses overseas.

The bank announced its intention to bid for Midland after the local market closed yesterday. The decision to make a share offer for Midland will depress its share price, which closed at HK\$44.50 (336p) yesterday. In London trading later it slipped to 313p.

John Mulahy, research director of Peregrine Securities, said: "We have been expecting Hongkong Bank to make a move on Midland, either to

Mutual benefit, page 23

Tough chairmen present contest of opposites



Purves: longtime insider

THE negotiations between HSBC and Midland will rely heavily on the personalities of their respective chairmen, William Purves and Sir Peter Walters (Neil Bennett writes).

In many ways it will be a contest of opposites. Mr Purves is a lifelong banker who rose through the ranks at HSBC. Sir Peter is an oilman, who spent 36 years at BP and came to banking late in life. Both men are oil and both are known for their tough negotiating ability, however, and

neither will yield ground easily. Sir Peter and Mr Purves joined their respective employers, Hongkong Bank and BP, in 1954. Sir Peter became chairman of BP in 1981; Mr Purves took charge of Hongkong Bank five years later.

While Mr Purves has focused his efforts inside his bank, Sir Peter has always had a wide range of interests and is chairman of Blue Circle and a director of SmithKline Beecham and Thorn EMI. He was offered the chairmanship

of National Westminster but turned it down when the bank objected to his plans to reduce the size of the board.

Mr Purves has long planned a link-up with Midland to secure the bank's future after China takes over Hong Kong in 1997. Sir Peter, meanwhile, knows that Midland, which is still suffering the effects of the recession, has few prospects as an independent institution in the single European market but could prosper as part of a larger well-capitalised group.



Walters: longtime oilman

Output declines 1.3%

By COLIN NARRBROUGH
ECONOMICS CORRESPONDENT

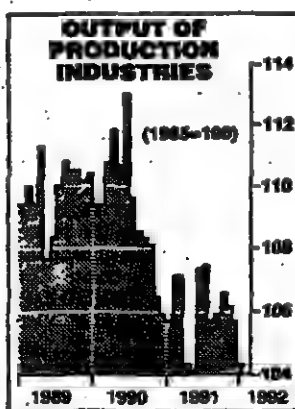
GOVERNMENT figures showed a 1.3 per cent drop in Britain's industrial output in January, fuelling City fears that the longest recession since the early Thirties could continue this quarter.

The production data were accompanied by disappointing figures on government finances, which confirmed the deterioration that Norman Lamont, the Chancellor, reported in the Budget.

The government sought to dismiss the output figures, underlining their backward-looking nature.

Manufacturing saw output fall a further 0.7 per cent in January after a revised decline of 0.4 per cent in December.

The surprisingly large January fall in overall industrial production, which includes the energy sector, also followed an 0.4 per cent decline in December. Energy output



fell 2.7 per cent in January. The broader data compare the latest three months with the previous three. Industrial output was down 0.7 per cent in the latest three months and 0.6 per cent lower on an annual basis.

Manufacturing was 0.9 per cent and 3.3 per cent lower respectively for the same periods. The recession had lasted six successive quarters by the end of 1991, but the latest

production figures reinforce concern about the effects of weakening demand for British goods at home and abroad.

Gerard Lyons, chief economist at DKB International, said: "Recession goes on, with no light yet visible at the end of the tunnel." Robert Lind, economist at UBS Phillips & Drew, said the output data showed that the "trend is on a downward lurch again".

The public sector borrowing requirement in February was a provisional £963 million after a repayment of £3.76 billion in January. This brought the cumulative PSBR to £7.4 billion for the first 11 months of fiscal 1991-92, up 11.1 per cent from the same period in 1990-1. The February figures included £809 million in receipts from the second instalment of the disposal of the electricity generating companies.

Comment, page 23

American outlook improves

By OUR ECONOMICS CORRESPONDENT

THE biggest monthly rise in American housing starts since March 1990 indicated rediscovered consumer confidence and recovery. Starts rose 9.6 per cent in February. Industrial output rose 0.6 per cent last month, says the Federal Reserve, after three consecutive months of decline. Consumer prices rose 0.3 per cent, the strongest monthly rise for three months.

The American current account deficit fell to \$8.62 billion last year, the smallest for nearly a decade. Australia has officially emerged from its 18-month recession. National account figures for the final quarter of last year showed a growth increase of 0.3 per cent after a 0.1 per cent gain in the third quarter.

US oilmen drill London for cash

By MARTIN BARROW

THE optimism of the oil and gas industry knows no bounds. Every exploration company, regardless of size, lives for the day when a single mammoth discovery will transform it overnight. Oil prices are always on the verge of a sharp recovery and gas is the fuel of the future.

Oil barons never tire of telling the world that a recovery is just round the corner. And over the years there has been no shortage of investors - generally with more money than sense - eager to take part in this adventure, anxious not to miss out on The Big One.

At least, that has been the case until recently. Now the money has dried up. Potential investors are no longer enthralled by tales of promising surveys and exciting geological tests. Market rumours of a big find in Texas and Colombia no longer create a buzz thousands of miles away in the City of London. Even the likes of BP and Lamsco

are no longer considered risk-free, and their shares have dived. Minoros such as Richmond Oil and Gas, Teredo Petroleum and Exploration Company of Louisiana, whose strong American bias set the City alight during the bull market, are reduced to penny stocks.

Yet none of this deters American energy companies, quoted and unquoted, from continuing to look to London to fund their activities.

Yesterday, six of their number entered British financial institutions to a conference at the Waldorf Hotel to outline their plans and raise money. All spoke of the difficulties of raising money in America, yet expressed confidence that London would give them a favourable hearing. Old habits die hard.

Ramco Oil and Gas Inc, a production company, enjoyed close links with New York Life, which invested \$140 million in its ventures. Now Ramco is obliged to seek funds elsewhere. Rolf Hufnagel, senior vice-president, described the

American capital market as "a roller-coaster". Mark Keldorf, president of Arkoma Basin Exploration, said: "No one has got any money to spend."

Nor has London for that matter. But Tom Price, a vice-president of Chesapeake Operating Inc, said London was "the pre-eminent financial centre in this part of the world" and he was here to "try to engender understanding" in the American oil industry. And, presumably, raise some money. Chesapeake has drilled 114 wells in Texas and Oklahoma, 103 of which are in commercial production, and has identified a further 250 undeveloped drill sites, for which funds are actively being sought.

Chris Tate, whose company, Madman and Associates, staged the conference, is aware of the hostile investment environment in the oil and gas sector in Britain and is philosophical about his clients' prospects.

"If you don't ask, you don't get anything," he said.

Maine-Tucker

Recruitment Consultants

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... "Time" ticking by whilst you sit there worrying about how it's all going to get done!

... "Time" shooting away from you as you dictate letters that a competent Secretary could compose.

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Federal Express sale of UK arm costs 3,500 jobs

BY DEREK HARRIS

FEDERAL Express, the troubled American express delivery service, is axing 3,500 jobs in the United Kingdom and the Irish Republic as it withdraws from much of its domestic and inter-European services.

FedEx's UK domestic parcels distribution business is being sold to Securicor Omega Express, the express parcels arm of Securicor Services. Securicor Services is 51 per cent owned by Securicor and is the largest private-sector operator in the £1.6 billion UK express parcels business.

Securicor Omega claims a market share of 12 per cent and last year had sales of £208 million. In a cash deal, it is paying £2.6 million for goodwill and £4.5 million for assets of FedEx. Part of the deal is a 250-strong vehicle fleet. The FedEx domestic parcels turnover in the first two months of this year indicates the business will have an annual turnover of more than £40 million.

In a separate contract agreement, FedEx UK collections and deliveries outside London will be carried out by Securicor Omega while the UK arm of Australia's TNT will be the contractor for deliveries within the Irish Republic.

The UK's express parcels business, in which the Royal Mail's Parcelforce has a third

of the market, has been fairly flat for some time because of the recession. Securicor Omega claims it has gained business through an improving market share.

Last month, FedEx said it was actively looking to restructure its international operations to reduce losses. The bulk of its problems have been in Europe and the UK where at one time it employed about 8,000 people.

A year ago nearly 2,000 UK jobs went as it introduced several closures. Last autumn it agreed to sell back to Littlewoods, the privately-owned UK retailer, the Home Delivery Service that specialises in mail order deliveries.

The additional retrenchment now announced will leave FedEx still offering an intercontinental service from 16 cities across Europe, including some in the UK. About 800 people will be retained in the UK.

FedEx will maintain its UK headquarters at High Wycombe together with a Coventry operation, its collection and delivery services at Enfield, Vaughall and Heathrow, and its airport facilities at Prestwick, Stansted and Heathrow.

Frederick Smith, FedEx Corporation president, said: "The operations needed to support our inter-European

service have been extremely costly and we have not generated adequate revenues to cover our costs. In addition, the market in Europe has not developed express traffic as quickly as we had expected."

There are to be 3,372 jobs lost in England, Scotland and Wales; 37 in Northern Ireland and 125 in the Republic. Securicor Omega said that, subject to review, it may recruit some FedEx personnel made redundant.

Securicor Omega will be the sole contractor for the FedEx international parcels distribution business to and from Britain, outside the M25 area. Roger Wiggs, Securicor Services chief executive, commented: "These agreements afford us an excellent opportunity to expand our UK domestic parcels business and to offer all our customers intercontinental services in association with a leading international carrier."

TNT Express Worldwide said that as a FedEx subcontractor it would handle inbound deliveries from America and the rest of the world in some ten European countries. It added that Chronoservice, the FedEx domestic French business, has been sold to TNT of Anstralia.

One watchdog proposed for private investment

BY LINDSAY COOK, MONEY EDITOR

ALL private investment should be regulated by one organisation, if recommendations made in Sir Kenneth Clucas's report for the Securities and Investments Board go ahead.

The report, published yesterday, says a new self-regulatory organisation should be created to cover all the business regulated by the Financial Intermediaries Managers and Brokers Regulatory Association and the Life Assurance and Unit Trust Regulatory Organisation, plus business conducted with private investors by Investment Management Regulatory Organisation members and some clients of the Securities and Futures Authority.

Sir Kenneth also recommends that the direct regulation of about 100 companies by SIB should be reviewed and that recognition should be withdrawn from the Insurance Brokers Registration Council. To change their regulation status would require legislation.

A consumer panel should be set up with the right to enquire into, police the new regulatory body, and the

number of public interest members of the new organisation's board should be sufficient that they can constitute a majority with either the product providers or the independent practitioners.

Sir Kenneth also recommends that the chairman of the new self-regulatory organisation should come from outside the industry. It will be up to the members of FIMBRA, LAURO, IMRO and the SFA whether the proposals to streamline and make more effective investor protection



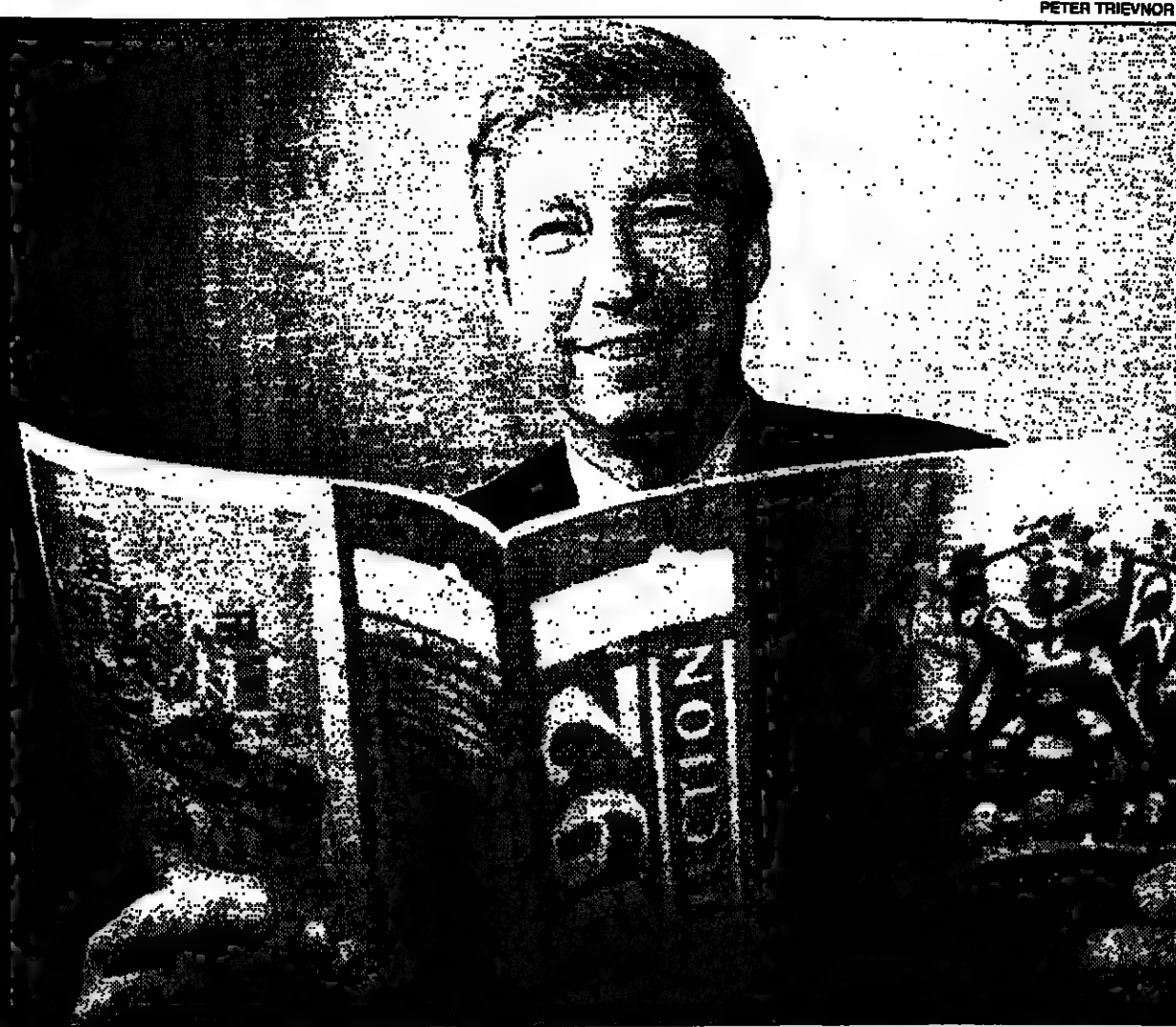
Walker: a sound case

go ahead. There could be resistance from LAURO and IMRO members who will not want to foot the bill for compensating the customers of broken Godfrey Jellings, chief executive of FIMBRA, said: "We give the report a warm and strong welcome."

Kit Jellings, chief executive of LAURO, said: "It seems to us from an investor protection point of view a good idea. It is up to the membership whether it will go ahead."

John Morgan, chief executive of IMRO, said: "The board of IMRO would not welcome any suggestion that the scope of IMRO should be narrowed." The report suggests that about 30 per cent of its membership should transfer to the new SRO.

Sir David Walker, chairman of SIB, said: "The case for a new SRO, to reduce fragmentation and improve the robustness of the regulatory structure, is compellingly made out." The report recommends that the new SRO should be set up to shadow the work of the existing SROs until it was ready to take over from them.



Looking on the bright side: Torquil Norman, chairman, expects recent profitability to be maintained

Bluebird tumbles deeper into red

BY MATTHEW BOND

BUOYANT overseas sales compensated Bluebird Toys for dismal domestic demand in 1991. Orders from abroad rose by half to £11 million, and now account for more than a quarter of the quoted toy maker's sales.

The improvement was not sufficient, however, to prevent a pre-tax loss of £3.5 million for the year to December 31, compared with a loss of £856,000 last time. For the second year, there is no final dividend.

Torquil Norman, chairman, was encouraged by the company's performance in the second half, which produced a pre-tax profit of £924,000, against just £40,000 last time.

In the light of the better outlook for overseas sales and steps taken to rationalise our UK operations, the board is confident - bearing in mind our normal seasonal trading pattern - of continuing progress," he said.

Most of the loss has been caused by restructuring costs, which have been taken as a £3.5 million exceptional item. Rationalising the product range, including writing off tooling and artwork, cost £2.2 million and moving Peter Pan Playthings from Peterborough to Merthyr Tydfil cost £1.2 million.

The group now has one factory, at Merthyr Tydfil, and one administration site, at Swindon. A Hong Kong office is responsible for Far East production and distribution.

Despite tight stocking by retailers, the company managed to reduce year-end stocks by half to £4.4 million.

Dunlop Slazenger to be fined by EC for operating a cartel

FROM TOM WALKER IN BRUSSELS

DUNLOP Slazenger International, the EC's biggest maker of squash and tennis balls, has fallen foul of Community competition rules and will be fined by the European Commission today.

Sources close to the commission confirmed that Sir Leon Brittan's competition investigators had found that

Dunlop Slazenger, part of the BTR group, operated an exclusive distribution cartel on the Continent and went to extraordinary lengths to stop its goods being sold by non-authorised sports shops. "It's a major case," said one source.

The size of the fine has not yet been decided, but the

commission is entitled to impose a penalty of up to 10 per cent of a company's annual sales.

The competition directorate decided to investigate Dunlop Slazenger after receiving a complaint from Newitt, a British sports goods distributor, which claimed that it was prevented from buying Dunlop Slazenger equipment in Britain for resale on the Continent.

The commission has taken a tough line against companies trying to prevent so-called "parallel imports" if they then establish networks of dealerships that set widely different prices from one country to another.

Dunlop Slazenger was found to have bought back its products from companies it did not want to sell them, and also to have undercut unwanted exporters with the aim of pricing them out of the market.

The company has operated its illegal system since 1977, according to commission sources, who said the Benelux market had been the one most affected.

BTR, which is looking hard at its expanded operations after the takeover of Hawker Siddeley, says its 59 per cent indirect interest in Hawker Siddeley Canada and its 41 per cent stake in that company's preferred shares is under review.

BTR has undertaken to cut gearing from its 89 per cent level at the end of December and earlier this week announced two asset sales for £33.1 million.

Selling Hawker Siddeley Canada could raise up to £107 million.

Finance in place for £690m power station

BY MARTIN WALLER

THE £690 million private gas-fired power station at Barking planned by Thames Power, in which BICC, the cables to construction group, has an interest, was given final approval with the completion of project financing.

One of the lenders is the European Investment Bank, which is putting in loans totalling £200 million, the first financing from the bank for a power project in Britain.

Thames Power is half-owned by BICC and ATCO, the Canadian utilities concern, and has a 51 per cent stake in the station. Three regional electricity companies, Southern, Eastern and London, own the rest and have agreed to take the power produced when the plant opens in April 1995.

Building at the site, near the River Thames, will start on July 1 this year. Yesterday was the final deadline for the financing to be put in place under the terms of the 15-

year supply contract agreed with British Gas. The station has to build an 18km (10 miles) pipeline to transport the fuel from the national transmission system operated by British Gas.

BICC and the Canadians are putting in equity funding of £94.4 million. A syndicate of nine banks has arranged credit of £661 million.

The scheme is only the sixth independent power generation project in Britain to reach such an advanced stage, after dozens were planned in the run-up to the privatisation of the electricity industry. Another three projects are awaiting firm financing.

Robin Biggam, chairman of BICC and Thames Power, said: "The project has not been without its difficulties." The site had to be moved, a former chief executive quit, and there was a wrangle with British Gas over the supply contract.

Wimpey in loss but pegs dividend

George Wimpey, the contracting company, has reported a pre-tax loss of £16.1 million for 1991, after making a £12 million provision against its involvement in the Channel tunnel project and writing down its house-building and commercial property assets by more than £100 million.

The losses compare with a £43.3 million profit in 1990. Wimpey shares, however, rose 16p to 147p, for the company maintained its final dividend at 6.5p (giving an unchanged total of 10.5p). That required a £30.5 million transfer from reserves.

Sir Clifford Chetwood, chairman, said business in the UK and America was improving.

In the first quarter, the company's house sales in Britain have been 10 per cent ahead of expectations; even stronger recovery is indicated in America.

Joe Dwyer, chief executive, said the group's positive cash flow of £107 million had been important in its decision to pay an uncovered dividend for the second year running.

Since Mr Dwyer succeeded Sir Clifford as chief executive 16 months ago, the company has raised about £300 million from disposals. It has sold a waste management business for £105 million and a 50 per cent interest in a City office development for £110 million.

Times, page 22

Trace jumps

Trace Computers, a computer software group, lifted pre-tax profits from £31,000 to £221,000 in the six months to November 30, despite turnover slightly lower at £9.72 million, against £9.95 million last time. Earnings per share jump to 1.59p, up from 0.06p a share last time. The interim dividend is being maintained at 0.55p.

Celestion down

Celestion Industries, a clothing, swimwear and audio group, is maintaining its single dividend at 1.2p, despite a pre-tax loss of £1.06 million in the year to December 31 against a profit of £951,000. Sales fell by 12 per cent to £36.6 million. Charles Ryder, chief executive, expects the group to make a "strong recovery" this year.

Bid cleared

Carlton Communications' £68 million bid for Pickwick, a music and videotape distributor, will not be referred to the monopolies commission. The recommended bid, announced in January, takes Carlton into large-scale pre-recorded sales for the first time.

Prospect buys

Prospect Industries, a supplier to the power generation industry, is paying up to £2.4 million for Greenbank Industries, which makes abrasive and chemical resistant products. Greenbank is based in Lancashire and has a subsidiary in Chicago.



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Scottish Enterprise

The medicine starts to work at Wimpey

THERE can be no doubt that Joe Dwyer has successfully completed the first half of his job as chief executive of George Wimpey—a 16p rise in the share price to 146p was witness to that.

The second half, of course is a rather different matter, with much depending on the timing of any eventual recovery and the individual flair that Mr Dwyer can—and indeed must—bring to the construction group's future. But the impressive recent progress cannot be ignored.

Most crucially Mr Dwyer has succeeded in stabilising Wimpey's balance sheet.

By disposing of assets worth up to £300 million, net borrowings have been reduced to £206 million and gearing to 35 per cent.

The possibility of further property sales leaves the door open to further improvement.

By cutting gearing, Mr Dwyer has reduced the pace at which Wimpey has to run to stand still. But that is just as well, given the current state of the company's core business.

In construction Wimpey is making a £12 million provision against its involve-

ment in TMI, the channel tunnel contractor. More worryingly, the size of the order-book has fallen by 40 per cent to £700 million.

Housebuilding, too, has serious problems, despite a rather meaningless pre-election report of recent improvement. At 6,380, the number of houses sold in Britain is up on last year but the £65,500 average selling price is down for the third year running.

An average plot price for the company's 14,719-plot land bank of £13,000 bodes well for the future. But after a £30 million exceptional write down—shared with North America housebuilding—it should do.

A pre-tax loss of £16.1 million is not the most promising of starts, but the marked improvement in the balance sheet has won Mr Dwyer more time.

Assuming no further decline in housebuilding and no more problems with the Channel tunnel contract, County NatWest believes profits of more than £32 million are possible this year, rising to £55 million in 1993.

A current year price/

earnings multiple of 18 looks expensive, but perhaps not for a company that appears to have survived the recession sans right issue. Buy.

Watmoughs (Holdings)

WATMOUGHS (Holdings), the printer of colour supplements, mail order catalogues and brochures accompanied its results with news that it has secured a further five year contract for *The Sunday Times* colour magazine. The group prints annual reports for 150 companies, and intends to increase the number to 200 within two years. It also says that profits are improving.

Coming so soon after last month's soul-baring at the time of its one-for-four rights issue at 350p, to raise £22.3 million, there were few surprises in the results statement for the year ended December.

Pre-tax profits were £8.1 million against £11.6 million, the final dividend is 8p a share, making 10.5p, up from 10.25p, for the year. Gearing that was 50 per cent

at year-end has been eliminated.

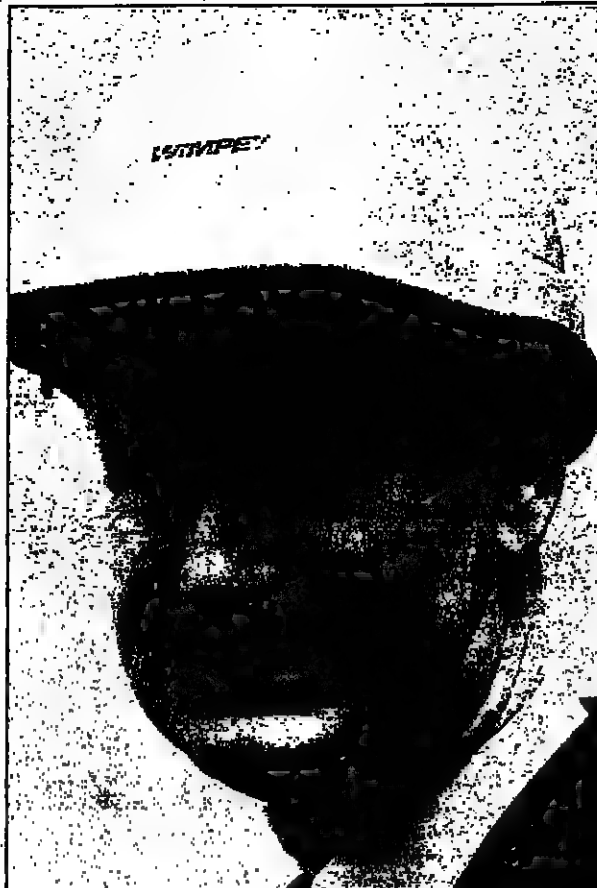
Even allowing for the traditional weight of the second half, and stripping out acquisition benefits, profits rebounded in the second half, after a poor interim, and the recent venture into Hungary is showing signs of promise.

Long-term contracts to print three weekly magazines in Spain, which the rights-funded new gravure printing facility will handle, also holds potential.

Watmoughs' master-plan is for three printing hubs—in Britain, for western Europe and Scandinavia; Madrid, for Spain, Portugal and Italy; and Budapest for the Austrian and eastern European markets.

On 1992 pre-tax profits hopes of £12.6 million, earnings would be 27.9p a share, and therefore shy of adjusted net earnings of 31.5p a share seen in 1990. But at that level, net earnings would show a near 35 per cent improvement on adjusted 1991 levels.

At 420p, up 5p, the rating of 15 times prospective earnings is underpinned by renewal of *The Sunday Times* contract.



Success under his hat: Joe Dwyer of Wimpey

Lonrho shares bounce back on bid speculation

LONRHO, the international trading group headed by Roland "Tiny" Rowland, bounced back from a seven-year low with a rise of 14p to 99p as the City decided the shares were a takeover play.

Lonrho's share price has tumbled from a peak of 277p and fund managers are increasingly restless about the group's management style. They are expected to voice their complaints at the annual meeting scheduled for March 26. The price fell sharply on Monday as speculation grew that Lonrho will be dropped from the FT-SE 100 index today because of its poor performance. The fall in the share price has seen the company's market value drop to £650 million. Last night there was speculation about a bid from Hanson, which finished 5p better at 223p.

It is whispered in the Square Mile that Lonrho

rushed to cover short positions but turnover was low, with only 450 million shares traded. Longer-dated issues rallied by more than 1½.

British Vita, a polymer products group, held steady at 237p as County NatWest WoodMac, Warburg Securities and BZW all urged clients to take up the group's £73 million rights issue, being offered at 212p. Analyst Ian John says County takes a favourable view of the company's growth prospects.

Most early business centred on news of the proposed merger between Midland Bank and its 15 per cent shareholder, Hongkong & Shanghai. Midland responded to the news with a leap of 76p to 329p as more than 21 million shares were traded.

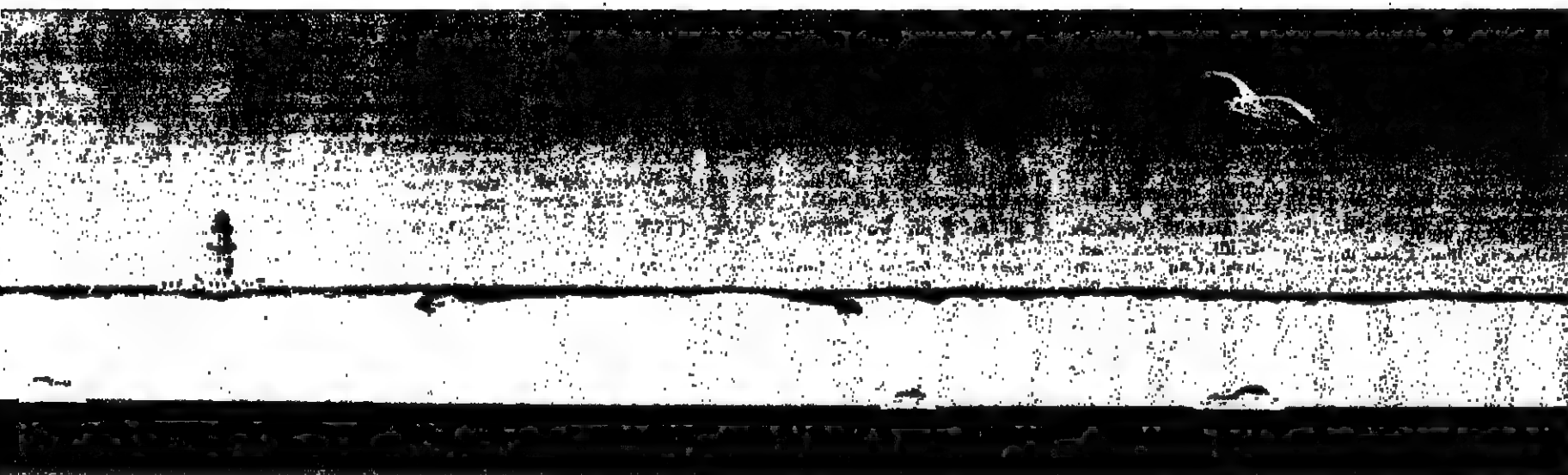
The development focused attention on the banking sector. Abbey National rose 6p to 275p. Its lack of exposure to overseas lenders and strong base in the domestic housing market are likely to make it attractive to institutions. There were also gains for Bank of Scotland, 4p to 111p, Barclays, 5p to 341p, and National Westminster, 7p to 302p. Lloyds, however, lost ground, falling 6p to 388p amid wild talk in the market that it might make a counter offer for Midland.

Glaxo fell 12p to 771p in further response to plans for an inquiry into tactics used by the group in marketing its migraine treatment Imigran.

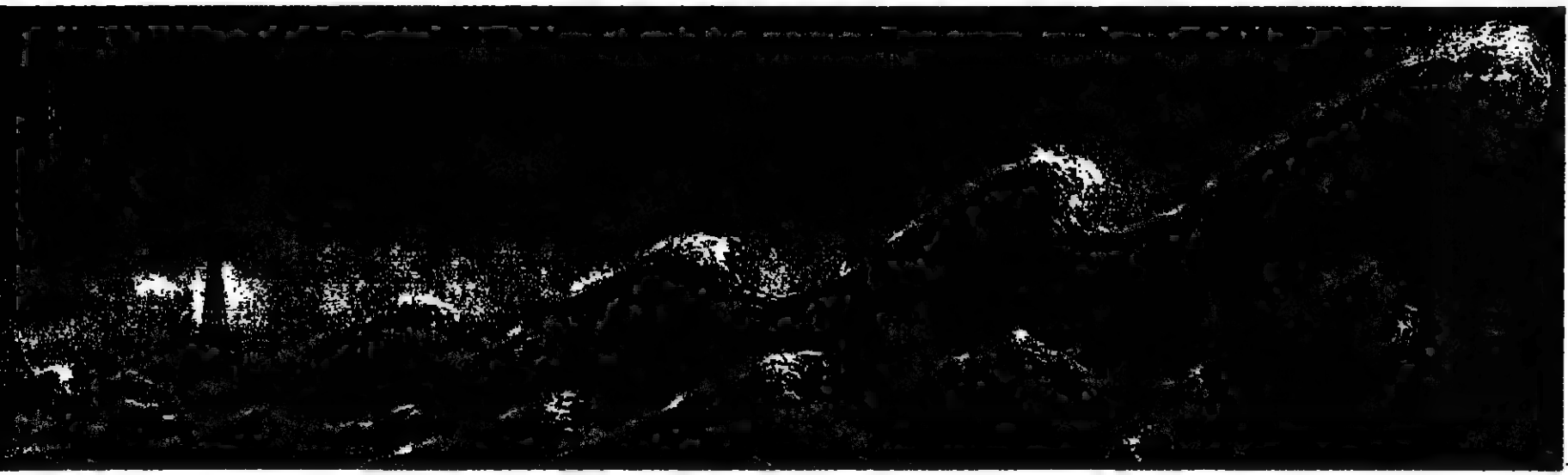
The decision of George Wimpey to maintain its dividend, despite a pre-tax loss, and optimistic remarks about trading lifted the shares by 16p to 147p. There were also gains for Taylor Woodrow, 5p to 116p, AMEC, 4p to 132p, and Tennac, 6p to 127p. Marley, reporting today, rose 3p to 119p.

MICHAEL CLARK

UNLIKE THE PRICE OF BRITISH COAL,



THE FORECAST FOR OTHER FUELS IS CHANGEABLE.



Some fuel prices are about as unpredictable as the British weather. Take oil for instance. The majority of the world's long-term reserves are in the Middle East, which means the chances of a consistent price are about as likely as persistent rain in Riyadh.

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can make heavy weather of any price forecast.

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THE ONLY FUEL WITH A SOLID FUTURE

WALL STREET

New York — Shares opened higher, encouraged by data showing that the American economy is improving. A bounce in Tokyo stocks also helped. The Dow Jones industrial average gained 8.94

points to 3,245.30 in morning trading after struggling to maintain opening gains. Rises outnumbered falls by seven to four. Shares should be helped by firmer bonds, analysts said. (Reuters)

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Britain still deep in recession

During the recession in Britain, it has been widely noted that we appear to be suffering from an Anglo-Saxon malaise. Not only were our North American cousins afflicted, but the Antipodes were struck down with the same affliction. But now our own recovery is proving alarmingly elusive. The disturbing 1.3 per cent fall in Britain's industrial production in January could not have come at a worse time for a government seeking to foster confidence. Manufacturing industry is clearly seeking to retrench, as indicated in the 0.9 per cent decline over the last three months, which leaves it shrinking at an annual 3.3 per cent. This strongly suggests a fresh leg of its sectoral recession. And the Confederation of British Industry's most recent survey gives little grounds to hope that industry is about to display its former boldness. All in all, the first quarter of 1992 is starting to look like the seventh quarter of recession, at least for Britain.

A worrying feature of the production data is that engineering and allied industries, key to our export hopes, saw output shrink 1.2 per cent in the latest three months. With little sign of domestic demand strong enough to revive the engineering sector, some economists are starting to worry that import penetration might be starting to rear its head again. A deteriorating trade balance would be an unwelcome accompaniment to dramatically worsening government finances.

Australia came out of recession officially yesterday, managing two successive quarters of growth, while America reported what looks almost like the start of a housing boom and a return to rising industrial output. From Britain's vantage point, we can only look on in envy at those countries still free to cut their interest rates to match their economic needs. Given current sterling weakness, we can but wait for Helmut Schlesinger.

Good, bad and ugly

The good news is that at last there are some soundly based, workable proposals for reform of the mish-mash of bodies which regulate the investment business. They emerged yesterday from the Clucas report which suggested that they be scrapped and replaced with one organisation to look after the interests of private investors. The Financial Services Act should have created such a body but failed to do so.

The bad news is that, however sensible the reforms, they can be ignored in effect by the member firms of the self-regulatory bodies which would be subjected to abolition or merger. For the current regulatory system does not allow the members of the Life Assurance and Unit Trust Regulatory Organisation, the Financial Intermediaries Managers and Brokers Regulatory Association or any other SRO member to be compelled to join a new organisation. SIB cannot turn away people who want to be regulated directly and the Insurance Brokers' Registration Council could not be scrapped without legislation.

This apparent nonsense strains the credibility of self-regulation and may not survive too long under a new Government. Sir Kenneth Clucas suggests how rationalisation can be achieved, what safeguards can be put in place to stop interested parties getting their way at the expense of investors and how the transition period can be handled safely. He also wants a much stronger say for consumers. It will be up to investment companies to do the decent thing. If they do not, then their customers must draw the obvious conclusion. Self-regulation is too important to be left to the self-regulators.

Midland finally embarks on its oriental marriage of convenience

Graham Searjeant reports on how the Midland, once the largest bank in the world, is looking east to rediscover its destiny.

Midland Bank's engagement with the Hong Kong and Shanghai Banking Corporation, which in 1990 seemed as dead as the strategy of its chairman Sir Kit McMahon, is on again in earnest. The marriage would not be made in heaven, but could have considerable consequences.

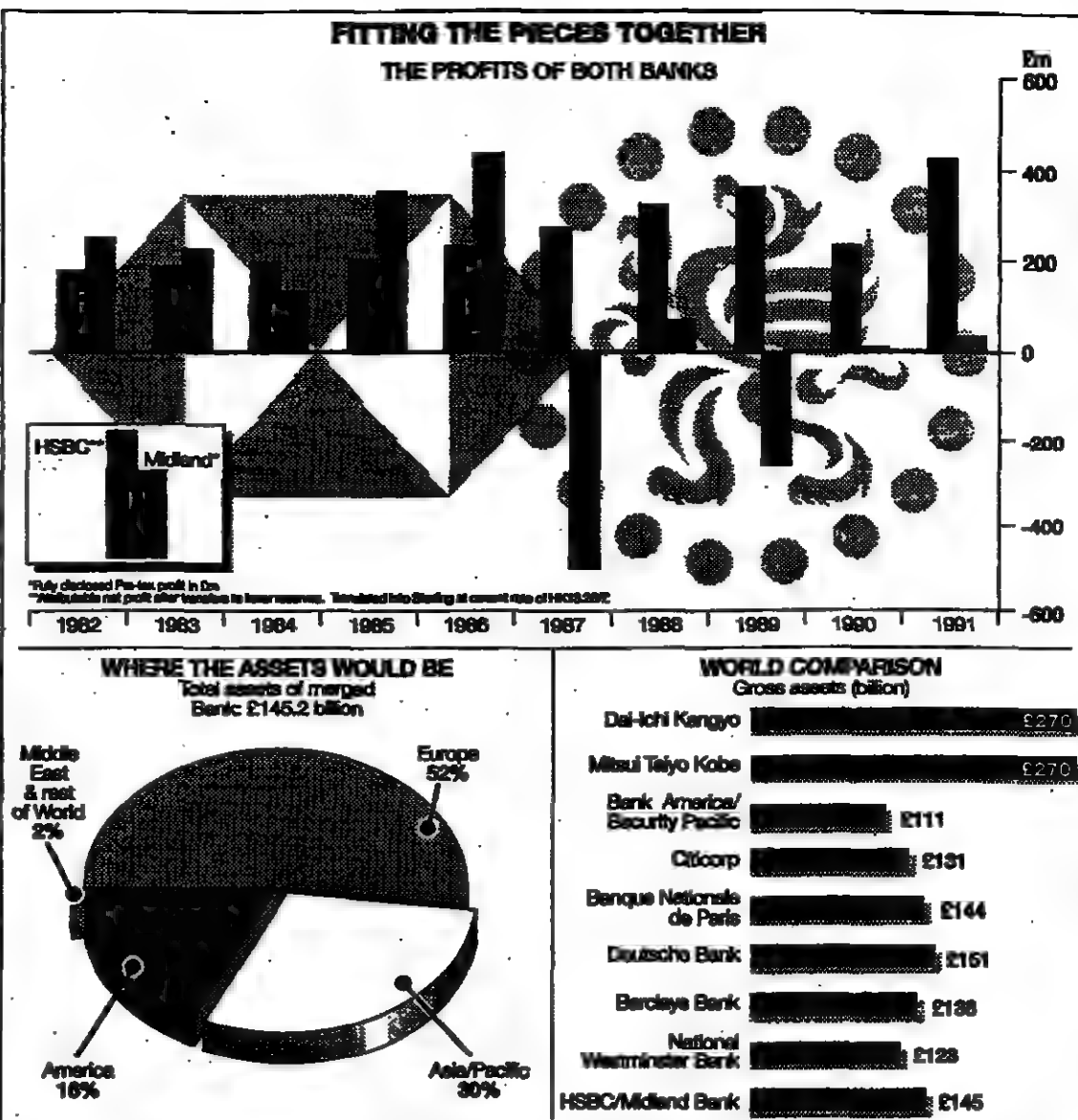
The banks were never read the first time because both parties were in trouble. Midland's troubles were turning their eyes at last from the Latin American debt book only to find the bank had read the domestic recession late and suffered unknown losses compounded by its me-too expansion into high profile corporate lending for big bids, deals and developments. Back in Hong Kong, William Purves' ambitious expansion into America, via Marine Midland, had turned as sour as the economy and property prices and his attempt to gain market share in Australia had run up a tally of bad debts. Had the two managed to stagger to the altar, investors would have boycotted the ceremony.

The relationship was, however, left hanging in the air. Hong Kong and Shanghai retained the 15 per cent of Midland it had built up, with Sir Kit's blessing, in 1987 by backing a share issue to bolster Midland's depleted capital. That deal carried a three-year agreement to co-operate and keep the stake unchanged with a view to a final merger. As the deadline approached, a decision had to be made. The formal abandonment left HSBC showing a large loss on its original £340 million investment and a return that was small and dwindling as Midland progressively cut its dividend. The initiative over Midland's future was firmly anchored in Hong Kong.

If the Midland stake looked uncomfortable in the HSBC balance sheet, the two banks had something more longstanding and psychologically deeper in common. In a Lutyens bank parlour in the City and in a Norman Foster tower in Hong Kong lurked ambitions for a destiny on the world stage, based ultimately on fear.

The merged group would be truly international and of world-class size, able to service the largest customers. In the Nineties, however, the focus may be more on depositors than borrowers and an OECD study, published yesterday, questions whether the trend for banks to concentrate in ever larger financial conglomerates will last much longer. The internationalisation of banks, it notes, "has not been an unambiguous success story".

Within living memory, Midland could have laid a claim to be the largest bank in the world. It had



pioneered postwar developments from the international network to personal loans and the bank cheque card. The Midland was also seen in the British banking community as a brash, awkward outsider, not least because its chairman were rarely career or hereditary bankers.

The Midland's troubles really started as long ago as 1968, the year of the great British bank mergers. National Provincial teamed up with the Westminster. The monopolies commission stopped the agreed merger of Barclays and Lloyds, but Barclays was still much enlarged by a takeover of Martins. In all this, Midland, which had already fallen behind Barclays in Britain, was left out in the cold. Charles Raw, the journalist, raised what must then have seemed an alarmist question: "Can Midland now survive on its own?" It has plagued the bank's strategy ever since.

Thwarted at home, Midland eventually turned abroad. In 1980, its pent-up ambition led to the purchase of Crocker National, a California bank that brought with it the apparently desirable business connections and loan book it had built up in Latin America. In two waves, Crocker's domestic energy and property loans and its Third World debt brought Midland to its knees.

The damage started in 1984: Midland was forced to retreat, selling Crocker to America's Wells Fargo bank but obliged to keep the Latin American debt. The extent of that obligation was well-known in banking circles. Sir Kit McMahon, deputy governor of the Bank of England, was dispatched to Midland's Poultry headquarters on a rescue mission.

To the wider public, the extent of Midland's burden was still unclear when, in the heady days before the 1987 crash, the Saatchi & Saatchi advertising group planned an abortive bid for the clearing bank, thinking it on the mend. Losses of £505 million were reported for 1987, followed by further losses in 1989. Sir Kit sorted that out but his strategy still had elements of the old ambition, by now beyond Midland's demoralised management.

In shrinking, Midland sold solid retail banking networks, putting the proceeds into wholesale business, finance for corporate deals and bewildering retail banking initiatives. Its strategic thinking moved to forging the international alliance with HSBC. Sir Kit hit troubles at home. The Bank of England again glided into action, easing in Sir Peter Walters, the latest non-banker chairman, and Brian Pearse, Barclays' sober fi-

nance director, to clear up the new mess. They show every appearance of doing so, but Midland seemed at last to have no answer left to that question posed in 1968.

The Hong Kong and Shanghai had swelled profitably with the growth of Hong Kong, where it embodied the respectability of a note-issuing bank. There was a snag: Hongkong Bank was the biggest business with the highest profile in an occasionally volatile colonial enclave whose future was ticking away. Even before the accord on Hong Kong's transfer to China in 1997, it needed to branch out.

When it moved into Britain in 1981, making an unwelcome bid for the Royal Bank of Scotland, it found itself viewed down the Roman nose of Lord Richardson, the techy governor of the Bank of England, as a colonial upstart that did not know its place. This disdain owed much to the Bank's own discreet marriage bureau, which had already blessed a union between Royal and Standard Chartered, the British international bank. In the event, and to the Bank's chagrin, both bids were turned down in the monopolies commission on the last occasion the Scottish trump was successfully played there.

The MMC noted objections that monetary control and the Bank's influence by nod and wink might be

undermined. "The Bank of England also argued strenuously that the acquisition of Royal Bank Group by HSBC would be against the public interest, because ultimate control of the group would be transferred overseas". The report added tartly: "Some of the arguments have not seemed to us wholly persuasive".

Mr Purves, who succeeded to the chair at HSBC in 1986, nonetheless took the cue and kept in touch with the Bank. The deal with Sir Kit could hardly have been reached without the approval of the central bank, which was by then much more relaxed. In any case, 1993 was approaching and even continental banks could not indefinitely be treated as doubtful foreigners. That move to a single European market is much in Mr Purves' thoughts and, in 1990, HSBC moved its registered home to Britain with one eye on protecting its back from China. Despite the disparity of profits and market value, more than half the assets of a combined Midland and HSBC would be in Europe.

In Hong Kong, recovery is at a much more advanced stage than in Poultry. Australian exposure has been contained, losses at Marine Midland have been cut and, in a notable exercise of tough management, the group has turned James Capel, its over-ambitious investment in the securities business, from loss to profit. HSBC has the advantage, long given up in London and New York, of being able to play tunes on its accounts through hidden reserves. Even so, the near doubling of profits in 1991 provided the rising share price needed as a platform for a bid.

The merger is, however, still far from a foregone conclusion. The Bank of England, having been "kept informed", may feel more relief than alarm. There are other regulators, either in Brussels, or a Whitehall whose masters are as yet unknown. The rating agencies must be kept on board. The terms of the issue will need to be carefully judged to keep them and Midland shareholders happy. Even in truncated form, Midland is capable of making £650 million pre-tax profit in two or three years time and might make £1 billion in the fair wind and boom.

HSBC has also moved to bring matters to a head. If it is not to buy Midland, now is the time for some other bank to buy HSBC's underperforming investment. Midland, as the weakest of the big four, has been flirting with Lloyds, whose caution has made it the smallest but strongest. The successful Lloyds' team will soon retire and it has strategic decisions to make. A merger would, however, alert the competition authorities. Lloyds cannot be ruled out, but Midland clearly realised HSBC posed fewer questions and might offer more since it had only to buy 85 per cent.

Mr Purves' nerve might also be tested by conditional banks. For the authorities in the City and Whitehall, as well as bankers, the worst nightmare might be a knock-out bid from a state-owned French bank. The long Midland saga promises a riveting final chapter.

THE TIMES CITY DIARY

Elementary for Watson

THE retirement of Det Chief Insp Graham Watson from the City of London Police could turn out to be their loss and the corporate world's gain. Watson, aged 48, attached to the Serious Fraud Office, completed his 30 years of service in the force with a two-year stint leading the Barlow Clowes investigation on behalf of the SFO. The investigation began in June 1988, when Peter Clowes was arrested. "I was extremely surprised by the scale of the fraud," says Watson, whose retirement from the force has already taken effect, although he does not officially leave until next month. That retirement will, however, be short-lived. Watson, described as popular, hard working and conscientious by colleagues, begins a new job on April 6, with Kingsclere Consultants, a division of Sigma Security Group, which has been involved in investigating some aspects of the Maxwell empire. "I will be doing corporate investigations: fraud enquiries, loss prevention, any sort of internal investigative work within companies," Watson says. After his first-hand experience of the Barlow Clowes operation, he will also be exceptionally cautious about investing his nest egg when he receives it in April. "I will be talking to two of the clearing banks, to the building societies and maybe to one or two professional advisers, but not to anyone who receives commission. And no, there is absolutely no way I will put it all with one person."



"I suggest we need more of a Chinese dragon."

Taking the Mickey

OF THE 80 or so official Euro Disney tour operators, not all are as accommodating as Bruce Peters and Russell Groot. Originally, they established themselves as Mouse Trips UK, only to be told by Disney - clearly suffering from a sense of humour failure - that it was not prepared to travel with a company called Mouse. They have decided to call themselves Magic Trips UK. Instead, but customers can reach them at their head office at the former Boys' British School in Saffron Walden, Essex, which old boys will be delighted to know, has now been renamed Mouse Hall.

One that got away

ATTEMPTS to clean up the heavily industrialised areas of Teesside - within a stone's throw of several large ICI plants - have met with mixed success. In an attempt by the National Rivers Authority to demonstrate that the river Tees near Stockton was team-

ing with fish, it offered £175 to the person who caught the most fish during a competition. Hoping to tip the odds in its favour, the NRA even brought in a boat stocked with expensive sonar equipment to locate the best spots. However, it all ended rather embarrassingly. Despite casting their lines for almost six hours, 50 anglers were unable to catch one fish between them...with one exception. The sole (sorry) catch of the day went to a teenager who landed a flounder but threw it back, deeming it to be too small.

THE latest joke doing the rounds among white South Africans: What is the difference between a yes vote and a no vote? A yes vote gives you more time to pack.

Wickhamist

CHRISTOPHER Wickham, a 30-year-old food and beverage analyst with Lehman Brothers International, is the last person to be admitted as a member of the Stock Exchange. The exchange, planning to transfer all individual memberships from the stock exchange to the newly created Securities Institute, despite the resistance of many of the members, admitted Wickham last week, even though the membership system will survive in its present form for only another two weeks. "It has all come as a bit of a surprise and it is all quite amusing," says Wickham, who, as his name suggests, is also a Wyckhamist. "Yes," he adds, "the exchange seemed to find that the most amusing bit of all."

CAROL LEONARD

Glaxo R&D justifies good profit

From Mr Alan Russell

Sir, Your correspondent J. C. Povey (Business Letters, March 6) omits one vital factor in his suggestion that Glaxo's profits will fall because of their reduction in discount allowed to chemists. Glaxo spends about £500 million a year on research and development and so far has been successful in discovering new drugs to meet long-felt needs. Fortunately, it is able to patent these discoveries, although patents run out in a ridiculously short time. Surely Glaxo are entitled to the benefits they have found as a result of their work and investment? All the chemist has to do is hand the stuff

over the counter against a doctor's prescription.

As soon as the patent runs out, other companies step in, steal the analysis and make a smaller profit, whilst Glaxo no longer gets any benefit. It is a hard life for Glaxo but so far they have wonderfully surmounted these problems.

I suggest that if any sympathy is being handed out it should go to Glaxo rather than these pirate companies or the chemists, who will still do very nicely, thank you.

Yours,
A. F. ROUSELL,
5 Calverley Court,
Calverley Park Gardens,
Tunbridge Wells,
Kent.

Change has alienated retail pharmacists

From Mrs L. F. Ralph

Sir, Whatever the intention of Glaxo's decision to change distribution methods, they have succeeded in alienating retail pharmacists. I do not think Mr Lance (Business Letters, March 12) will find one commonly phar-

macist who will speak in favour of the change. Has he read the pharmaceutical press recently?

Yours faithfully,
FRANCESCA RALPH,
Walton Pharmacy,
23 Wendover Road,
Aylesbury,
Buckinghamshire.

The Budget statement and statistics

From Mr J. E. Kidgell

Sir, Your Budget coverage (March 11) stated incorrectly that, from the end of this year, figures for UK trade would cease to be published monthly. In fact, the change in VAT reporting announced in the Budget statement will have no significant effect on the statistics.

The abolition of customs barriers between EC countries at the end of 1992 requires the introduction of a new system for collecting intra-EC trade data. While this system,

Intrastat, is bedding down during 1993, there will be a delay in the publication of monthly trade figures. Intrastat will include a monthly statistical return by the largest traders which will enable the Central Statistical Office to publish monthly trade figures. In due course, these will be published within about six weeks of the end of each month.

Yours faithfully
J. E. KIDGELL,
(Head of Division 3),
Central Statistical Office,
Great George Street, SW1.

High street banks have lost the personal touch

From Mr S. A. Ettinger

Sir, For 40 years I have used a high street bank for my personal and business accounts.

Over this period I have seen bank managers come and go and they have become my personal friends, both before and after their retirement.

They were managers who actually managed, making decisions to our mutual advantage.

I find that recently things

are very different, the relationship between my bank and me has become very impersonal and the manager no longer has power to use his own discretion, but must follow a rigid set of instructions laid out for him.

Reluctantly, after so many years with one bank, I tried a different bank, only to find the same principles applied.

Could any of your readers suggest a bank to me, run in

the old manner, i.e. to make a profit for themselves while still assisting customers?

Yours faithfully,
S. A. ETTINGER,
Stewart Gallery,
25 Grove Road,
Eastbourne,
East Sussex.

Letters to The Times
Business and Finance
section can be sent by
fax on 071-762 5112.

MORTGAGES NOTICE OF INTEREST RATE VARIATION

The following changes apply to loans drawn prior to 17th February 1992 and are effective from the first payment date on or after 27th March 1992.

Home Loan Rate reduced by 0.55% to 10.95% per annum.

Stabilised Charging Rate reduced by 0.5% to 11.25% per annum.

This does not apply to loans from Central Banking Services.

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unsatisfactory way in which disciplinary hearings continue to be conducted.

It is ridiculous in the Nineties that such quasi-judicial events, which can affect the future careers and livelihoods of trainers and jockeys, should be held behind closed doors.

Other professional bodies, including the Law Society and the British Medical Association, allow such hearings to be fully reported and Lord Hartington, the Jockey Club's senior steward, should

| | | | |
|----|--|---|---------------|
| 10 | LORD TIM (G Harris) G Thornton 4-1-2 | W | Bussidy (7) |
| 11 | MANAGEMENT (D Dougherty) R Allen 4-1-2 | D | Bussidy (7) |
| 12 | 5 MUSIC TEMPO 8 (J Hepburn) L Lunge 4-1-2 | F | Murtagh (9) |
| 13 | 70Y SOLDIER (new V Cunningham) Mrs V Cunningham 4-1-2 | F | Pearce (5) |
| 14 | 6 WHY NOT EQUIVAME 74 (BPs) (Equine Lady) D Eddy 4-1-2 | R | Houlgan (8) |
| 15 | 00 SOUND PROFIT 12 (W Young) W Young 4-10-11 | D | J Motters (7) |

BETTING: Evans Kilmackie Control, 11-2 Mr Kilmackie, 11-10 Dunningham, 10-1 Lord Tim, 10-1 Lord Tim, 12-1 Strong Sound, 16-1 others.

1991: SCOTTISH MOUNTAIN 5-11-3, 1 Mullinny (20-1) M Easterby 7 ran

| COURSE SPECIALISTS | | | | | | | |
|--------------------|---------|---------|----------|-------------|---------|-------|----------|
| | Winners | Runners | Per cent | JOCKEYS | Winners | Rides | Per cent |
| G Richards | 38 | 147 | 25.5 | N Dougherty | 28 | 85 | 30.8 |
| Jas G Rensley | 34 | 97 | 34.7 | R Hewit | 29 | 127 | 22.8 |
| M Harnmond | 9 | 41 | 22.0 | K Johnson | 7 | 33 | 21.2 |
| T Tate | 5 | 25 | 20.0 | L O'Hara | 13 | 65 | 20.0 |
| G Moore | 58 | 93 | 62.2 | R Hogg | 15 | 79 | 19.0 |
| P Bussidy | 6 | 34 | 17.6 | M Dwyer | 5 | 27 | 18.5 |
| | | | | | 15 | 88 | 17.0 |

Placepot: £149.50.

| | | |
|----------|-------------|----|
| 9-11-4 | N Doughty | 91 |
| 9-11-4 | C Brownless | 94 |
| 9-11-1 | P Miven | 98 |
| 9-11-1 | C Grant | 98 |
| 12-10-13 | T Reed | 97 |
| 12-10-13 | C Hawkins | 98 |
| 12-10-13 | L O'Hara | 99 |
| 8-10-1 | B Storey | 97 |

Lescller, JJ-Henry, 12-1 Kisty's Boy, 14-1

(2v) Mrs G Reveley 5 ran

| | | |
|---|--------------------|-----------|
| 9: 2m 2f (7) runners | | |
| | N Leach (7) | 95 |
| (action) M Hammond 5-11-9 | P Niven | 80 |
| Moore 5-11-4 | N Doughty | 95 |
| 10-12 | M Dwyer | 98 |
| | K Doolan | 99 |
| Woodrow 7-10-0 | S Storey | 82 |
| 5-10-0 | C Grant | |
| Fernando Reyes, 5-1 Sexy Mover, 13-1 All | | |
| (3 fav) Maj W Sample 4 ran | | |

R CHASE

| | | |
|------------------|-------------------|----|
| C Ransay 11-12-0 | D McTegert (5) | 80 |
| 11-10 | J Bradburn (3) | 80 |
| 0 | T Morrison (7) | 86 |
| by 10-11-10 | M Sowersby (7) | 82 |
| 10 | J Greenall | |
| 11-10 | Miss P Robson (7) | |
| 14-11-10 | C Simple (7) | 88 |
| 5 | F Looker (7) | |

Stung, 12-1 Herold Way, 14-1 Tarteiva,

5-2) G Richards 6 ran

RACE (£1,758: 2m) (15 runners)

5-12-3..... A Dobbin (7)
Mr B Lyons (7)
M Moloney
W Owen (7)
N Leach (7)
C Dennis (8)
5-11-10..... A Larnach (7)
Miss S Lamb (7)

D Bentley (7) ☐
 F Burtough (6) ☐
 F Pervett (7) ☐
 P Midgley (8) ☐
 N Hodge (8) ☐
 D J McHaff (7) ☐
 10-1 Lord Tin, Don't Tell Judy, 12-1
 20-1) M Esterby 17 ran
STS

| Winners | Rides | Per cent |
|---------|-------|----------|
| 26 | 85 | 30.6 |
| 28 | 127 | 22.0 |
| 7 | 33 | 21.2 |
| 13 | 65 | 20.0 |
| 5 | 27 | 18.5 |
| 15 | 88 | 17.0 |

[illegible]

Placepot: £149.50.

FROM RICHARD STREETON IN PORT OF SPAIN

□ **Dilip Vengsarkar**, the former Indian captain, announced his retirement from first-class cricket yesterday after his team, Bombay, lost their Ranji Trophy semi-final to Delhi in Bombay. Vengsarkar, aged 35, who made his international debut in 1975, made 6,868 runs in his 116 Tests, including 17 centuries, three of which were at Lord's.

□ **Gloucestershire** are giving a one-year contract to Justin Vaughan, aged 24, an all-rounder from Auckland.

[illegible]

ENGLAND SENIOR SQUAD: T Miller (East Dorset), T Paparito (Bedfordshire), S Fogarty (Bedfordshire), L Sdao (Middlesex), A Kaye (Surrey), F Murray (Essex Metropolitan), J Rowe (Surrey), K Lowe (Bedfordshire), S Young (Kent), H Mansur (Middlesex).

But unless the Premier League does realise the riches promised in the FA blueprint or, as Noads suggests, the



It took Lineker, who credited Hoddle with making

Faldo said: "The trouble is to make the swing feel natural is not natural because you are contorting the body into positions that feel unnatural. It

most contacts are enough would not help. "When you are playing as badly as I am at the moment, there is nothing much to get excited about, I can tell you," he replied. "I cannot remember a time I have struggled as much as this." At present, Edberg is looking and playing like a man with other things on his mind. His wedding in April, perhaps.

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WOMEN
The true blue
who is
fighting the
Tories



LIFE & TIMES

WEDNESDAY MARCH 18 1992



MEDIA
Who controls
television
when elections
come round?

Pring
pay
cost
price

A trivial death on Broadway

Despite its stars,
New York's new
staging of *Death
and the Maiden*
misses the play's
pain and passion,
reports Benedict
Nightingale

Oh dear, oh dear. Last July, Ariel Dorfman's *Death and the Maiden* came unostentatiously to life in that shabby attic of the Royal Court which calls itself the Theatre Upstairs. The production, by Lindsay Posner, cost all of £12,000 to stage, and was scheduled to run 31 performances only. After all, how many British people would want to hear a Chilean writer debating the rights and wrongs of revenge, even if the torture-victim seeking it was played by the superb Juliet Stevenson?

Well, last night *Death and the Maiden* opened on Broadway: the extravagant climax of a journey that has taken it to the Royal Court proper and from there to its present London habitat, the Duke of York's. The American production cost £750,000 and has already sold tickets worth £2.5 million, a record advance for a straight play. Glenn Close is the stricken protagonist, Gene Hackman the doctor she accuses of having invigilated her sufferings, and Richard Dreyfuss her husband. Oh yes, and the modish Mike Nichols directs the fashionable stars in what is, in my opinion, a pitiful travesty of a fine play.

Still, even travesties have their uses. Glenn Close sometimes gives the impression she is belatedly thinking of suing a dentist for stitching on the Novocaine during a tooth extraction. Hackman may look rather less menaced by her than the average New Yorker stuck with a nuisance lawsuit. And Dreyfuss may trapeze about as well as an attorney who has lost his way to the courthouse. But they incontrovertibly prove that the Muses are not to be seduced by big spenders or big names.

On the contrary, this *Death and the Maiden* makes an instructive case-study. It shows that sentimental direction and bland acting can reduce a scathing morality play into the kind of sweetly-sour love drama that flabbily oozes from two or three cable channels every television night. Let me back up a moment. Dorfman wrote the play after returning from exile to post-Pinochet Chile, where he found his countrymen simultaneously licking their wounds, struggling towards democracy and appealing a still-powerful army. His characters were to be the nation in microcosm, all of them victims, none of them clear heroes or villains.

We were to be left with more questions than answers. Had Paulina been mentally warped by the violent ordeal that had tormented her for 15 long years? Was Roberto really the sly Mengele who played Schubert and murdered sadistically while she writhed? Was her husband Gerardo right to object when a gun-pointing Paulina put his houseguest on trial, or was there something rather bloodless about his



Pitiful: Gene Hackman, left, Richard Dreyfuss and Glenn Close. The Broadway audience were chortling at moments when, in the London production, they were wondering how to de-ice their spines

faith in disinterested justice? The play made the abstract concrete and the political as burningly human as the latest case-history unearthed by Amnesty International and, at least in London, it did so on the cheap. A grand total of £90,000 covered the costs of the six-week run at the Court, from the building of the set to actors' wages of just £210 a week each. It took another £110,000 to transfer the production to the West End, where performers' salaries are higher but there are more seats to be sold. At the Court, tickets ranged from £5 to £15, and the final surplus was £55,000. At the Duke of York's, the best seats cost £18 and, since they are sold out for weeks ahead, a good profit is already certain.

Compare this with the production at the Brooks Atkinson. No student of Broadway will be surprised by the total price-tag of £750,000, nor by the £60,000-odd that one unchanging set cost. But there has been acerbic comment on a report that Nichols's direction will bring him £19,000 a week.

Moreover, one producer tells me that each performer will receive six per cent of the gross takings. Since this should be £185,000 a week, that would mean an £11,000 wage for Close, Dreyfuss and Hackman. Still, the public is prepared to pay up to £30 a seat to see them. The same producer, Fred Zollo, ex-

pects the play to be in profit in 16 weeks. Who can doubt him, either? Broadway thrives on excitement, hype and gossip; and there was more than the usual chatter among the frog-life in the Times Square pond as *Death and the Maiden* neared its opening. Hispanic actors handed out leaflets protesting against so blatantly non-Hispanic a cast. Glenn Close, who had missed several previews through what turned out to be pneumonia, was rumoured to be unhappy with the production. There was what Zollo diplomatically called "creative tension" between Dorfman and Nichols, especially after the latter gave an interview saying that the play was "a thriller about the intimate lives of three people and the ways in which their sexual natures are intertwined. I can't", he added, "see this as a political play in any way. And I consider that a plus."

Dorfman must have been appalled. To call *Death and the Maiden* non-political is like calling *King Lear* non-tragic. It is as sensible as Peter O'Toole's defence of his unintentionally hilarious *Macbeth*: "really a very funny play". Moreover, it helps explain why the American production gutters where the English one takes intellectual fire. The arguments between Paulina and

Gerardo about Roberto's fate skitter by so rapidly that I had to check afterwards if they were not cut and am still wondering if the text was trimmed. For Nichols, they were clearly interesting only for the marital ill-feelings they contained. For him, Roberto was a sort of inadvertent marriage guidance counsellor: the catalyst who brought hidden conflicts into the open and gave hope to a relationship under stress.

No wonder the stakes seem so much lower than in London. There, we are always aware that the issue is what to do with a fascist lackey who may have repeatedly raped a woman after passing electric shocks through her vagina. Here, it is how to cope with the kind of problem caring folk face as often in Ohio or Idaho as in Chile or Argentina. Indeed, Nichols is on record as comparing Paulina's predicament with that of American women in some well-publicised recent cases, for instance, Anita Hill's in the Judge Thomas hearings. Prolonged torture equals verbal molestation, or so it seems.

This ludicrous reductionism inevitably damages all three performances. Hackman seems properly sickened when he makes what may and may not be a false confession; but he is never in as much terror for his life as Michael Byrne in London. For Bill Paterson's gritty intensity, Dreyfuss

substitutes the flummoxed concern of a well-meaning husband whose difficult wife is having one of her bad days. The prospect of personal and professional ruin moves him about as much as if he had found her kaiting in the saucepan and the spaghetti in the washing machine.

But can he be blamed when Close is always more sorrowful than traumatised? Her performance is oddly elegiac and lacking in bite. She is ruefully revisiting painful memories, not squirming as they blister her. The horror, bitterness, hysteria, scorching irony and vindictive glee Stevenson finds in the role seem beyond her, as do the darker, more secret emotions on show in London. At one point, Stevenson opens her trussed victim's shirt and runs her hands slowly towards his genitals, a strange sexual fascination on her face. Close simply touches his exposed knees, her back to us, then scampers off behind the scenes.

American actors are conventionally supposed to lack intellectual rigour, but to bring greater emotional energy to their roles than the British. Not here. The atmosphere is so relaxed that the audience at the press preview laughed cheerily at moments when Londoners were wondering how to de-ice their spines. Even a reference to cutting off Hackman's testicles was greeted with the canned merriment we expect

to find in television sitcoms. *Death and the Maiden* needs Esau to direct it, and got an American Jacob instead. The set is very fine. A "beach house" (Dorfman's word) that in London looks like a shanty flung together from a DIY kit has become an imposing villa: all white pillars. But with the roughness has gone the urgency and the danger. A terrible smoothness rules. One has repeatedly to pinch oneself to remember that the subject is torture; and the pinching is more painful than the play.

Finally, I have a message for Juliet Stevenson, whom American

Equity thought not famous enough for a visa to Broadway. You were well out of it. Paulina may be half-mad, but this production would have sent you to the locked ward.

| Media | Score |
|------------|-------|
| Arts | 2.3 |
| Women | 4.5 |
| Media | 6.7 |
| Homes | 9 |
| Law Report | 12 |
| TV, radio | 14 |

TOMORROW
Warren Beatty's turbulent career

Hands off my bank statements, darling

I have been much perplexed by an advertisement on television for the Norwich Union. Perhaps you have seen it. It is glossy and romantic and underscored with strings, and goes something like this:

"When Jamie moved in, of course, he had nothing at all. Just the cello and the winning smile. And he said that under no circumstances was I to buy him socks, or food, or cello strings. But quite honestly I knew (Shot of man and woman in a fashionable shop. Woman smiles inanely and shells out large sum for a winter wardrobe).

"Then one day he said, 'Hey! Let me take you to Paris! And it was really great. Of course there was a bit of a mix-up in the restaurant on the first evening. (Shot of sweet, curly-haired man with his pockets turned inside out and a large question mark in the air above his head.) 'What do I know of your pounds and farthings,' he said. 'I am a mere child. But luckily I knew (Woman reaches for handbag, and saves the day.)

"And then we were out walking and he said to me, 'Darling why don't we get married? You know that all I have is yours, and it would be quite nice if all you had was mine, too. What do you say?'

(Shot of the couple looking blissfully happy in autumnal setting, the woman not suspicious in the least). And I thought, I knew!

Now, the interesting thing about this ad is that it is not a parody or a joke. And anyone who thinks so must therefore be a tired old cynic, with no romance in her soul. Which makes me feel very ashamed, of course, because I always watch it waiting to cheer and whoop at the moment when the woman finally chokes him smartly across the back of the neck and steps over his prone groaning body, saying to herself "I bloody knew". I can't see the romance in this set-up; it smacks too obviously of a Hitchcock plot. "Are you blind?" I yell at the dotting fool with the chequebook. "Don't you see he only loves you for your Norwich Union investments?"

The trouble with being returned to the single state, I find, is that it triggers all this deep suspicion of romance. So perhaps the Norwich Union ad simply took a blunt hack-saw to a raw nerve. But where does the cynicism come from in the first place? Looking at this scenario, one is presumably supposed to see this couple destined for a Disney Technicolor happy-ever-after, complete with big-eyed chipmunks and a pointy

SINGLE LIFE

Lynne Truss finds
even Disney cannot
cure her cynicism



yellow castle. You are supposed to turn off the TV afterwards and sing "Some day my prince will come", while studying your reflection in a wishing well.

I don't, of course. I gave up singing into wishing wells on the day I realised how easy it would be for someone to come up behind me and push me in. But, being a bit literal-minded, I thought that with *Snow White and the Seven*

Dwarfs on re-release, I might try to recapture a bit of the lost innocence; and that a trip to a kiddie's matinee might prove an invaluable cathartic experience. Thus it was that, last Saturday afternoon, I queued up rather conspicuously with some toddlers sniffing an onion and trying to get weepy at the idea of a prince in mauve tights.

The trip was a mixed success. I found that I didn't yearn for the prince very much; but I didn't feel very bitter either. On the other hand, my cynicism found scope in other quite unexpected directions. Just look at the way Snow White worms herself into the affections of those naïve dwarfs! "You are blind, dwarfs, blind!" I wanted to yell. (It was the ne'er-do-well cello player all over again.) "She's taking your beds! She's making pies from your gooseberries! Are you telling me she doesn't know you are in the diamond business? And that you dig, dig, dig, etcetera from early morn till night?"

I think I am on to something, actually. I mean, look at the way she gets all the fluffy crusting woodland animals to do the dirty work in the "Chez Dwarf" clean-up operation. "Let's clean this little house," she trills, "and perhaps its little owners will let me stay." So

she proceeds to chirrup gaily and lean lightly on a broom, while the bluebirds and bunny rabbits dash about with crockery, and cheerfully tackle the laundry. And what do they get out of it, precisely? While everyone is busy, Snow White somehow rustles up a nice dinner for the dwarfs, by stewing an unspecified something-or-other in a large pot. The little animals continue to dust and polish, never once sniffing the air and saying "Smells good. Hey, where did Arnie go? Anyone here seen Arnie?"

My trip didn't really solve my anxiety over the Norwich Union advert. I still watch it aghast, imagining the harrowing unscreened scenes — the man riffling thoughtfully through his girlfriend's bank statements while she is out at work; the hand-holding trip to the solicitor to make wills in one another's favour. Snow White's bunnies cluster at my feet, with their little paws over their eyes, and we shake our heads in unison, as the man finally places a bar of soap on the top stair, and then pops down to the shed to put the finishing touches on a glass-topped coffin.

TOMORROW
Private life John Diamond

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Published novels provide the basis for more and more television: Nicolette Jones looks at the cosy world of adaptations

Borrowed plots are blooming

This week, novels by Mary Wesley topped the hardback and the paperback bestseller lists (*A Dubious Legacy* and *The Camomile Lawn*, respectively), just after the first part of Channel 4's dramatisation of *The Camomile Lawn* reached the second-highest ratings ever for a single episode of a drama. Last Sunday saw the last of Granada's Maigret stories starring Michael Gambon. Their screening caused six out-of-print novels by Georges Simenon to be republished with Gambon on the jackets. And on Monday on Channel 4 the series touted as a successor to *Twin Peaks* began: *Northern Exposure*. The book of Alaskan whimsy written from the series, *Letters From Cloely*, was bought by the publisher Mandarin last November for £45,000 on the basis of a synopsis alone.

Such is the power of television to sell books. But who influences which books reach the screen? Do publishers put pressure on producers? Or do the two industries feed off each other? Can television also gain from publishing? One television producer has commented that the relationship is a one-way street, that the advantage of dramatising books is all to the publisher, in terms of increased sales. Another believes that dramatisations are problematic in ways that straight screenplays are not, partly because everyone wants an adaptation to reproduce their own mental image of the book.

A third, however, says the profit is mutual. Books are great raw materials because so much of the creative spade work is already done, and their established success adds marketability to drama projects. He works hard to ensure that transmission dates coincide with publication dates, but that is often impossible to guarantee "on the whole television stations don't care about pleasing publishers."

Publishers, on the other hand, move with uncharacteristic speed to put "tie-in" covers on books adapted for television. These sell in boosted numbers not only because of the screen publicity, but also because the prospect encourages booksellers to stock them. One publisher, Headline, recently got wind on a Monday of stories on which a ten-part Yorkshire Television series, to be networked from April, is based. The books were bought on the Wednesday and a tie-in cover had been produced by Friday. The purchase-

to-publication time of *Headline* by Nicholas Rhea will be approximately six weeks.

With similar enthusiasm, the publisher Transworld, has spent £43,000 per book on paperback rights in three R.D. Wingfield novels featuring Inspector Frost. Frost is to be played on television by David Jason, star of *The Darling Buds of May*, which was watched by 20 million people. Transworld should perhaps be warned, however. Although *The Darling Buds* prompted the sales of five H.E. Bates novels (which were until then "slow but steady") to rise to a total of 120,000 copies, the two million viewers of *Twin Peaks*, by contrast, bought 200,000 copies of the spin-off *The Secret Diary of Laura Palmer*. In other words, *Twin Peaks* aficionados are 20 times as likely as *Darling Buds* fans to buy books. For some viewers, all the literature they know is what they see on the box.

Nor is a television tie-in always a safe bet. In 1987 Penguin printed 80,000 copies of a novelisation from the series *The Bretts*. 60,000 copies came back unsold from the bookshops. Nevertheless, such failures are rare.

So are the publishers all lobbying for dramatisations? Hardly ever. One exception is a Penguin employee who is responsible for television and film tie-ins. Sue Berger regularly sends a fat mailing of likely books on the Penguin list to 400 producers on both sides of the Atlantic, an initiative unique among publishers. The producers are glad to make use of the service. "They will come to me and ask if I have, say, 'a female European detective,'" says Berger.

Impetus more often comes from agents, since they are the ones who generally handle screen rights for authors. Stephen Bourne, for instance, at the agency Curtis Brown — whose clients include David Lodge, who wrote his own screenplay for *Nice Work*, and Nicolas Freeling, author of the *Van der Valk* books — will "actively pitch" producers with books he thinks are suitable "either because of intrinsic quality or because they are by a very famous writer". Even ostensibly unsuitable novels can make it on to the screen if there is the selling point of a big name.

This is one reason why books are such popular material for producers. Independent companies can sell an idea to the television stations more easily if there is an existing story to

David Jason in H.E. Bates's *The Darling Buds of May*, as produced by Richard Bates

show, or the added kudos of proven popularity. Besides, as one producer put it, when you adapt a book "a lot of the imaginative work has been done".

However, the choice of books is most often dictated by producers' own random enthusiasms. *The Camomile Lawn*, for instance, was made because Sophie Balhetchet of the independent company Zed Ltd has nursed a passion for the book. "We producers just go into bookshops and buy books like anyone else," says Balhetchet.

Production companies often buy "character rights" rather than particular books — especially since, as happened with Colin Dexter's *Inspector Morse*, the adventures can take off beyond the books. Some seek out a character for a particular actor. Excelsior Productions, for instance, consulted crime clubs and specialists and read a vast pile of criminal

before they found Inspector Frost for David Jason.

On occasion, it is an actor's conviction that wins the day. That happened with an earlier Mary Wesley, *Jumping The Queue*, which Sheila Hancock fell in love with, and with Anna Brookner's *Hotel du Lac*, in which Anna Massey wanted to play the lead. In the case of *The Darling Buds of May* there was a family connection. Television producer Richard Bates, of Excelsior, is the son of the author, H.E. Bates. With happy circularity, money from screen rights and royalties from increased sales of H.E. Bates's books, boosted by the television, now go back to the Bates family company, Evansford, making Richard and siblings beneficiaries.

Although the proportion of books that are televised is low, the proportion of television drama that originates from books is high. Take the current week. On Sunday the BBC film of the late Bruce Chatwin's

Booker-shortlisted novel *Uta* was premiered. On Monday night there was the first episode of BBC 2's three-part adaptation of the Booker Prize-winning *The Old Devils*, whose author, Kingsley Amis, is enjoying a screen renaissance: we have recently seen his *The Green Man*, *Ending Up* and *Stanley and the Women*. And last night ITV screened the latest episode of a sitcom based on Simon Nye's novel *Men Behaving Badly*.

On Friday comes the fourth part of Fay Weldon's *Growing Rich*. That was written simultaneously as a book and a television serial, as was Andrea Newman's *A Sense of Guilt* and John Mortimer's *Paradise Postponed*. *Summer's Lease* was adapted by Mortimer after the novel was written, as were Melvyn Bragg's *A Time to Dance* and Malcolm Bradbury's adaptations of his own novels. In the case of *Rumpole of the Bailey* (a new series begins on Saturday) Mortimer writes up his

screenplays as novels afterwards.

The symbiosis between film and television, then, has given rise to the novelist/screenwriter. Even where the books are adapted by others, dramatisations may feed back into novels. P.D. James has admitted that she imagines actor Roy Marsden when she writes about her detective Adam Dalglish, and Ruth Rendell that George Baker's performance as Inspector Wexford is now in her mind when she writes Wexford tales; his interpretation has influenced the character.

Rendell, writing as Barbara Vine, has a forthcoming adaptation, *A Fatal Inversion*, screened in May, as is Angus Wilson's *Anglo Saxon Attitudes*. Muriel Spark's *Memento Mori* is due at the end of this month. Further ahead, rights have been bought in Julie Burchill's *No Exit*, Maeve Haran's *Having It All* and Barbara Trapido's *Temples of Delights*. You will be able to sit back and watch a whole library.

ARTS BRIEF

Lately delivered

A BATCH of fine art that should have been delivered to Poland in 1795 is finally arriving there this May for a short visit. Not, for once, a tale of art plunder shamelessly returned after 200 years. This time the paintings, which include Poussin's *Triumph of David*, Rembrandt's *Young Man and Woman*, and *Les Plaisirs du Bal*, are going to Warsaw as part of a cultural exchange. They were bought in London on behalf of King Stanislaw II in the early 1790s, but before they could be delivered (or paid for) Stanislaw had been ousted and Poland partitioned. They remained in England and were bequeathed to Dulwich College, Dulwich Picture Gallery was built primarily to house them. Thirty of them are being shown in Warsaw; in return, a Polish exhibition, "Treasures of a Polish King", illustrating Stanislaw's patronage at home, will open in Dulwich on May 13.

Well booked up

THE latest Dickens epic to reach the stage is *Martin Chuzzlewit*. Lynn Robertson Hay's new adaptation will be performed at the Royal Theatre, Northampton, from April 3 to 25. In the cast will be Aled Jones, erstwhile boy soprano, now juvenile lead.

Hockney set fair

GLYNDEBOURNE Touring Opera will give a London season for the first time. The company will perform a month-long season at Sadler's Wells from September 24, replacing its annual Sussex season in Glyndebourne. By then, Glyndebourne's opera house will be demolished to make way for the new theatre. Most interest will probably lie in the 1975 John Cox staging of Stravinsky's *Rake's Progress*, with designs by David Hockney. Although the production has been seen around the world, this will be its first London outing.

Last chance...

FIRST time round, English National Opera just missed the flavour of Kurt Weill's tale of New York tenement life, *Street Scene*. The revival hits the work, half-musical and half-opera, dead centre, with an almost entirely new set of principals led by Lesley Garrett. The Act II jitterbug dance number proves that there is plenty of vitality among those denizens of the brownstones, especially with James Holmes conducting. The final performance at the Coliseum (071-836 3161) is tomorrow.

GALLERIES: MANCHESTER

Patchy but provocative in the best sense



Expressive example of Expressionism: Karl Schmidt-Rottluff's *Girl from Kowno*, 1918, is included in the exhibition "The Expressionist Face — Graphic Art in Germany 1905-1925" at Manchester City Art Gallery until May 4

The music of Kokoschka and the painting of Schoenberg are among the delights John Russell Taylor discovers in Manchester's celebration of the Expressionist movement

Why Expressionism? And why in Manchester, for that matter? The answer to both questions, as so often, turns out to be the determination, obsession almost, of one person. David Fisk conceived the idea of an international Festival of Expressionism five years ago; he happened to be studying music in Manchester at the time, and so the combination seemed reasonable, if not inevitable.

What is amazing is the variety and scope of the festival he has cooked up, and the number of cooperative galleries and musical or theatrical venues. The festival proper lasts only from February 29 to March 22, but most of the exhibitions involved did not even open until halfway through, and all run on considerably beyond the end. Fortunately, perhaps, the organisers disclaim all intention to give a comprehensive account of the Expressionist movement in the arts, let alone to get into wrangles about what belongs in the category. Most of what is actually visible is German or Austrian, and most dates implicitly, as the Expressionist Face at the City Art Gallery does explicitly, from between 1905 and 1925.

Best to prepare for patchy and provocative, for that is what is on offer. The faces in the City Art Gallery show are all depicted in one form of print or another. What might be confusing is saved by crisp and elegant layout from seeming so: a collection of self-portraits leads the neophyte gently in, indicating by its swift transitions from the realism of Käthe Kollwitz to the confident simplifications of Erich Heckel and the violent distortions of early Kokoschka that Expressionism is more of an emotional climate than one

clearly defined style. A show of Expressionist Prints by Kokoschka at the Whitworth Art Gallery, which includes some of the same images, makes the same point succinctly in the development of one artist during one phase of his career.

Next door at the Whitworth is a fascinating show which makes another important point about Expressionism: Arnold Schoenberg. Paintings and Drawings serves as a vital reminder that part of the Expressionist ethos was the interchangeability of the senses, and so of the arts and all aesthetic experiences. Schoenberg was primarily a composer, even early on, but

'The organisers do not claim the show is comprehensive'

he took his painting seriously enough to solicit portrait commissions. Kokoschka was a dramatist and a skilled musician as well as a painter. Most others in the movement at least dabbled in media other than their principal preoccupation.

True, Schoenberg always remained an amateur painter, and unfortunately many of his self-portraits are all too redolent of the *Thought Forms* of Charles Leadbeater and Madame Blavatsky. They are symptomatic of the boneless wonder approach of Symbolists who felt that training in anatomy was less important than truth to fleeting visions.

However, one must admit that some of the other portraits are rather good, and the highly unflattering self-portrait (from behind) does make

one regret a little that when he moved to Los Angeles he seems to have given up painting in favour of tennis.

The leap in time between these artists and A.R. Penck at the Cornerhouse, Amanda Faulkner at the City Art Gallery, or Faulkner, Lucy Jones and John Bellamy at Castlefield Gallery will probably puzzle many visitors, though presumably a certain likelihoodness, a readiness to look for a deeper truth by way of a superficial distortion, will be clear enough to offer some sort of bridge. However, one must go to one of the more outlying events, the show *Vienne: Expressionist Tendencies* since 1945 at Salford Museum and Art Gallery, to encounter at least implied explanations.

Though the title is correct, in that everything on show seems to have been painted after 1945, it does lead gently in with late works of artists such as Anton Kolig and Josef Dobrowsky, who were born in the 1880s and provided a direct link with the Ur-Expressionists. Armed with this insight, one can see precisely how a certain mood, a certain attitude to the subject-matter of painting, persisted and developed. The show is confined to Austria, but what it says about Expressionism is of much wider validity.

●The Expressionist Face is at Manchester City Art Gallery (061-236 5244) until May 4, and Amanda Faulkner until April 5.

●Arnold Schoenberg and Oskar Kokoschka are at the Whitworth Art Gallery (061-274 4865) until May 9 and April 25 respectively.

●A.R. Penck and Malerei auf Papier are at the Cornerhouse (061-228 7621) until April 19.

●Vienne: Expressionist Tendencies since 1945 is at Salford Museum and Art Gallery (061-736 2649) until April 5.

TELEVISION REVIEW

No way to beat racial prejudice

Most people agree that the police should recruit more non-white officers. Unfortunately, those best placed to exert pressure — politicians, civil servants, newspapers, television — risk being accused of living in glass-houses and throwing stones. However tiny the percentage of black officers is, it is rather higher than the percentage of black MPs, or black journalists in the national media.

The difference is that while politicians and journalists may have a strong indirect influence on ordinary lives, police officers clearly have a strong direct influence. When there is racism in the police, ordinary people (particularly in the ethnic minorities) are the first to know. Conversely, when there is racism on the streets, a black policeman may be a prime target.

Three years ago, a Desmond Wilcox television series followed seven non-white Metropolitan Police recruits through their training and first weeks on the beat. Last night's sequel, *Black in Blue* (BBC 1), brought the story up to date and then engaged the Metropolitan Police commissioner, Sir Peter Imbert, in discussion.

Statistics are wonderfully versatile tools. Sir Peter, pointing to the Met's new policy of targeting recruitment advertising at the ethnic communities, claimed a 25 per cent increase in black and Asian recruits since Wilcox's series was

made. But Wilcox pointed out that this meant non-white officers now comprised 2.5 rather than 2 per cent of the force.

Nor was the anecdotal evidence from the original seven encouraging. Two quit before the end of their probationary periods — though this appeared to have little to do with racism. A further officer, Julie, has also now gone. She claimed that she was largely confined to desk duties, and so missed her target figures for arrests. Was that because of her colour or her sex? "I had a lot of problems with certain people on my relief," she said.

Another woman recruit told the story of being on the beat with a partner who said: "You mustn't get offended if I call black people niggers." Strangely, she did. Moreover she felt that "the sexism was enormous: women weren't given any respect".

Anna — a black recruit who has stuck it out — acknowledged that racism exists in the police, and even that she was a victim. But she laughed it off as part of what the programme called the "sub-culture" of the Met. "If you're Irish you get teased for your accent. You either accept it as being in jest or get aggravated by it... that's when problems arise." Her attitude was "it's just harmless fun". Not everybody on the streets of Brixton would put it that way.

RICHARD MORRISON

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Back to the Russian front

When the Royal Opera House needed someone with Russian connections to head the committee for its forthcoming gala, Welcome Back St Petersburg — to be held on election night — it lit upon the tall, fair, ethereal figure of Sacha, Duchess of Abercorn, née Alexandra Anastasia Phillips. As a descendant of the Tsar Nicholas I, and Pushkin's great-great-granddaughter, she is the ideal figurehead — Old Russia aiding former Soviet state culture in search of Western funds.

The duchess has an air of quiet calm, which she deploys in her day job as a Jungian psychotherapist. She has fashioned a consulting room in the stables of her house in Northern Ireland, and sometimes retreats to its silence and isolation herself: there is enough in her own recent family history to inspire a Russian drama.

She was the favourite grandchild of Lady Zia Wernher, owner of racehorses, staple of the society columns, friend of the Queen. The family millions came from the diamond mines of Sir Julius Wernher, famous for philanthropy and his art collection; the Russian countess Zia, who married his son, brought connections with all the royal Houses of Europe, including Prince Felix Yusupov, who murdered Rasputin.

"I found Zia intriguing. She was quite different from anyone else," the duchess says of her imperious grandmother.

"She never lost her Russian accent, and had a fascination with her ancestry. She would tell me all about the wide network of Romanoff connections, and about her grandfather Pushkin, so it was like a drip feed of Russian culture. We had a great affinity."

Of the four Phillips granddaughters, two became duchesses: Sacha's sister Tally (Natalia) married Gerald Grosvenor, Duke of Westminster. Fiona married a Scottish laird, Marita married the dashing sportsman Randall Crawley, tragically killed with his brother in an air crash in 1988.

They all lead philanthropic working lives, and each is a mother of three; but they have all had to mourn the loss of their only brother Nicky, just a year ago. He was found in the garage at the Wernhers' house, Luton Hoo, with the car engine running. He was 43. The verdict was accident; but his death remains a mystery.

"We were extremely close," the duchess says. "But one of the tragedies of life is when people don't allow their feelings any channel or outlet, and hold on tight to everything. He held on to every happy thing and every sad thing. He was absolutely stoic."

Valerie Grove meets an English duchess with a mission to help St Petersburg theatre

She feels more passionately than ever that it is vital to encourage children to write: hence her creation of a Pushkin Prize, which she runs for children writing north and south of the Irish border. The competition has been going for five years and past judges include Roald Dahl, Seamus Heaney and Ted Hughes. "This year, I want the children to write about their feelings. It's so interesting that the Catholic tradition finds it much easier to express itself, the Protestants are more blocked, defensive, they don't have a voice."

Life in Northern Ireland, she says, causes a gradual corrosion of energy that can very easily slip into depression. A schoolteacher friend, who had UDR connections, was shot through the shout-

'Pushkin produced a masterpiece in every literary form. His output was massive'

THE DUCHESS OF ABERCORN

der the other day when his car was ambushed. "A good man, derailed by this pointless violence. It builds up such tension; you put up barricades around yourself, to protect your feelings."

In her psychotherapy, the duchess deals with people in a state of crisis, or at some personal crossroads: they have a deep unease, which she encourages them to think of as a physical object like a rock or stone, which has a colour and shape. She also applies her own meditation energising techniques to herself. "Since my brother died I realise that to look after myself is so much harder than other people. I feel I didn't see what was coming, and could have done something."

In 1987 the Phillips family, including brother Nicky, invited Pushkin scholars, Old Russians and communists from all over the world to a Pushkin weekend at Luton Hoo to commemorate the 130th anniversary of Pushkin's

death. Ever since then, Sacha and her sister Marita have been studying Pushkin, learning Russian, going back and forth to Russia and reviving the family links. The chapel at Luton Hoo has been rededicated to the Russian Orthodox church. Sacha founded her Pushkin Prize, and Marita began writing a play about the extraordinary life, marriage and death of Russia's literary genius.

"Pushkin produced a masterpiece in every literary form. His output was massive, his energy prodigious," the duchess says. He was also a gambler, drinker and womaniser, who died in a duel over his coquettish wife, Natalia. "He was only 36. He was impulsive, charming, lively, loved every moment of his existence."

"His real inspiration was the fairy stories told to him by his old nanny Annie Rodionova; he spent all his time with her because his parents totally ignored him." Though educated in French, he wrote in Russian and gave the Russians a sense of their own literary identity that they had never had before: the equivalent of Dante in Italy and Shakespeare in England.

Now that the duchess has rediscovered her Russian background, she has visited the Mariensky Theatre, home of the Kirov.

Going through St Petersburg is just like coming into a fairy story you know very well, she says. "But the conditions at the theatre are so awful. The dancers literally don't have enough to eat to dance on."

Her own coming out ball, in 1964, was a throwback to imperial Russia, an event of *fin-de-siècle* magnificence hosted by her grandmother at Luton Hoo. The Royal family came and dined off the Russian Imperial plate, and 800 guests danced to Joe Loss until 6am. (Her grandmother declared that the whole point of the event was to get Sacha married off, but her future husband James Hamilton, later Duke of Abercorn, failed to attend — "so that's £14,000 thrown away," remarked her father — and they did not meet until the following year.)

The event at Covent Garden on April 9 will be glittering. The Princess of Wales will be there. The Kirov Ballet is arriving from Palermo, the orchestra and chorus from St Petersburg, and they hope to raise at least £50,000 for the Mariensky Theatre, with a programme embracing Tchaikovsky, Rachmaninov, Prokofiev, Rimsky-Korsakov — and including, of course, extracts from Boris Godunov, Eugene Onegin and *The Queen of Spades*, all based on the poems and novels of the duchess's beloved Pushkin, so the family connection is sealed.



The Duchess of Abercorn: "Pushkin's real inspiration was the fairy stories told by his old nanny"

AND BRIEFLY

A sweet tasting

WHAT causes chocolate to "bloom" that is, turn grey and look unappetising? It blooms either because it has been kept too hot (the cocoa butter crystals become unstable and rise to the surface, making the texture gritty), or because it has been stored in damp conditions (the sugar crystals attract the water molecules and migrate to the surface where they re-crystallise). These, and other facts about chocolate are distributed regularly to members of The Chocolate Society, who next Thursday will be tasting "at least 15 types of bon-bons and some chocolate pastry, as well as the famous Maison du Chocolat hot chocolate — all brought directly from Paris", at the Westminster College restaurant in St Vincent Square, London SW1. Tickets are £13.50 each. Further details of the society and its lists of mail order chocolate goodies from The Chocolate Society (0943 85101).

Safety net

IN THE wake of the abductions of women estate agents Suzy Lamplugh and Stephanie Slater, Texas Homecare has devised safety guidelines for all its female furniture consultants who have to visit customers at their homes. These include logging their whereabouts in a book, calling in on arrival and departure from an appointment — and issuing them with a shrill alarm and a torch.

V&A setting

THERE are few museum exhibitions where you can take the exhibits away, but vintage costume jewellery pieces such as those in the "Jewels of Fantasy" which opens at the Victoria & Albert Museum today will be on sale in the museum shop for the duration of the show (until July 5).

Pieces from the private collection of Flor, the Knightsbridge-based costume jeweller, as well as vintage collars, bracelets, brooches and earrings by Hattie Carnegie, Christian Dior and Elsa Schiaparelli are on sale together with contemporary copies and current collections from Swarovski, the exhibition's sponsor, and Cobra & Bellamy. For those fired to collect costume jewellery, Christie's is holding a "designer costume jewellery" sale on Wednesday, April 1 at 10.30am at its Kensington branch.

Vivienne Becker, the exhibition's curator, will lead a study day on April 22 in the lecture theatre of the V&A from 11am-2pm, cost £30. Bookings can be made on 071-938 8407.

VICTORIA MCKEE

WOMEN HAVE A LOT ON THEIR PLATES AT THE BEST OF TIMES



Juggling the ceaseless demands of family, home and job is a tricky balancing act most women are only too well aware of.

But, with a little natural assistance each day from the oil extracted from the seeds of the Evening Primrose flower, more and more women feel themselves better able to maintain a healthy hormonal balance throughout their menstrual cycle.

Available in taste-free capsules as well as chewy fruit flavour Berries, you'll find Seven Seas Evening Primrose Oil at Boots and all major chemists and health departments.

SEVEN SEAS

EVENING PRIMROSE OIL

Take Good Care of Yourself

Dea Birkett sailed back from Africa as a steersman in a boilersuit

I have trespassed into a forbidden land — male territory. I acquired a male name, male dress and lived entirely in male company. For three months I had privileged access to a strange and alien masculine world. I was a member of crew on a British cargo vessel working the West African route.

I began one sticky afternoon, just before the rains broke on the West African coast, when I clambered up the MV *Minos* gangway in Apapa docks, Lagos, Nigeria adorned in my finest flowery sun-dress. I wanted to impress the Captain. The shore staff had warned me that a young woman joining the ship would not be welcomed.

I had been following the Victorian traveller Mary Kingsley through West Africa, and had wanted to return to Britain as she had — by sea. But this was a working vessel, carrying cocoa beans, salt and West African timber, not passengers. I had to sign on as a member of crew. Seaman Birkett was hastily added to the crew list. I regarded my title as a mere formality. After months battling my way through West Africa, I looked forward to a safe, easy passage home in the familiar surroundings of a British ship.

But the *Minos* was the most extraordinary country I ever visited. If I had found West Africa strange, on board all the normal divisions of the day and week we take for granted disappeared. We sailed in our own time zone, adjusting our clocks by half an hour each day for the next port of call. We were seldom in sync with any piece of land. The *Minos* had a clear hierarchy. The divisions between the British officers and African crew had been established for decades. They ate in separate mess rooms, drank in separate bars, and retired to cabins on separate decks. But my own position was not so clear cut.

"Thought you were some sort of missionary for the blacks," said the Captain when I came on board, looking my slight frame up and down and clearly most concerned. "But I can see you're not — you're young." The prospect of my spending 3,500 miles on board did not enthrall him. But he did not have any choice, as the shipping line had already agreed

Rites of passage



Out west: Dea Birkett followed a Victorian traveller.

to sign me on. On his ship, everyone had a strictly defined role which was embodied upon their cabin door — PURSER, MASTER, CHIEF OFFICER, BOAT-SWAIN, COOK. The Captain and his men needed to find a place for me.

"Steersman. First watch," announced the Captain at my first breakfast in the officers' mess. I did not even hold a car driving licence. And here I was being asked to steer a 21,000-ton cargo vessel.

But my apprenticeship in practical seafaring skills was simple compared to a far more difficult education. I had to learn to be one of the boys. This was a world where no woman trod. This was how men dared to act when utterly free from the female gaze.

By day I was taught on the bridge how to steer this huge vessel, at night in the bar I was tutored in the ways of a seaman. For my first few days on board, the officers had censored their language. Then the bawdiness returned. I began to smoke

furiously and drink double rums. Then one night, instead of the usual western, a different sort of film appeared on the video. Soon the last thing I remembered each night as I slipped into bed in my cabin, was the picture of a naked woman, legs akimbo, staring out from the video screen in the officers' saloon.

Already my faint-hearted feminist values were being turned topsy-turvy. I felt it the greatest honour when the men swore outrageously at me and leered openly at the smutty films. Surely these were signs of my acceptance?

But I wasn't being accepted. I was being assimilated. The men could not live with a woman on board. So they transformed me into one of them, one of the boys. The Chief Steward, keeper of the slops chest, ushered me into his office one afternoon and presented me with a boilersuit, the seamen's working uniform. It had a 42in chest, the smallest he had.

But it made me look like a boy. The African crew gave me my male name — Jella. In their language, it means small boy. At last the fact that I was female could be conveniently forgotten. Now I was the boilersuited Jella.

But it wasn't only a mask for the convenience of men. I soon felt like the steersman Jella myself. When we docked at Douala, Cameroon, an invitation to go whoring seemed quite natural. Watching the Chief Steward check the seamen for VD was as normal a daily occurrence as brushing my teeth. And when one evening I put on my flowery sun-dress, I felt as if I were in fancy dress.

Smug in my new masculine identity, I smoked, drank, and danced to the heavy West African beat in the discos at our ports of call. Being a boy was such fun. I couldn't imagine a world with women in it.

Then, just as we were docking in Ghana, the First Engineer rang up to my cabin. "There are seven air hostesses in the bar if you fancy a bit of female company." Their plane had been grounded at Accra, and they were waiting for a new bit to be flown out.

Bedecked in my boilersuit, I swaggered into the saloon, slouched heavily in the seat with my legs sprawled apart, and pulled out a cigarette. I looked about at the air hostesses, heavily made up and in pretty party dresses, being eagerly entertained by the officers who were going to belong to a strange, foreign tribe called women, as distant from me as the Hausa or Yoruba of West Africa. "What's it like being among all these men?" one particularly lovely lady asked. It was these visions of femininity who made me feel uncomfortable.

The hostess persisted. "What's it like among all these seamen?" I drew on my cigarette and exaggeratedly knocked back my beer. But one of my fellow seamen answered for me. "Oh, she's not a woman. She's Jella. She's one of us..."

Dea Birkett's *Jella: A Woman at Sea (Gollancz, £14.99)* is published tomorrow.

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From true blue to seeing red

Alice Thomson meets a Conservative who is willing to stand against her party to support her imprisoned son

Marilyn Brown appears to be one of those staunchly loyal, indefatigable women that only the Conservative party can conjure up. A self-defined "housewife", she owns her own family business, is a branch membership secretary for the West Oxfordshire Conservative Association in Douglas Hurd's constituency and a member of its executive council and women's committee.

She thrived under Margaret Thatcher and finds John Major sexy. "Until now I was an active and hard-working Conservative supporter," she says.

Now Mrs Brown has decided to do something which will be considered quite extraordinary by her colleagues. On April 9 she is going to stand against Mr Hurd, the man for whom she has canvassed many times. Mr Hurd is generally talked about in awed tones by Tory women as being reliable, trustworthy and statesman-like. His majority at the last election was 17,000. So why is Mrs Brown opposing him?

The answer is Nicholas, her son. He has been held in prison for 14 months on a drug charge in Goa, the former Portuguese enclave in India. Charged with possessing half an ounce of cannabis, he has told the authorities it was planted on him by the police. When Mrs Brown pressed Mr Hurd over her son's plight she said it was like "talking to a brick wall". She bears no personal grudge against Mr Hurd, but is livid at what she sees as the Foreign Office's indifference to the plight of British prisoners abroad.

Six weeks ago Mrs Brown read an article about the

hauling into a police van with another young man, his mother says. The young man apparently admitted to having 15g of cannabis but asked to be taken to his home in order, he said, to get some money to pay the police off. After doing the deal, the police turned to Nicholas and produced 15g of cannabis out of his back pocket.

"It was a plant," his mother says. "They had his wallet so he couldn't pay them off. There is tremendous political pressure to stamp out drugs. Most police are easily paid off but occasionally they have to get someone."

According to Mrs Brown, Nicholas's lawyer, Peter D'Souza, a Goa, has spoken out bravely on police corruption and believes in Nicholas's innocence. Her son is being kept in good conditions, but he may have to wait three years for his trial to end — and then the minimum sentence if found guilty is eight years.

The Foreign Office says that it is not within the government's power to make the legal systems of foreign countries just like those in Britain. It says that except in cases of manifest injustice, the government cannot intervene in the trials of prisoners abroad. This it says, is especially true where the country concerned has a reputable legal system, as in India.

Mr Hurd spelt out this view in a letter to *The Daily Telegraph* last week in response to a news story on Mrs Brown. "Political intervention on anything other than humanitarian grounds is likely to be counter-productive. We know how we in Britain would resent interference in our legal system by ministers from overseas. British nationals who travel abroad must remember that when in foreign countries they are subject to their laws."

Mrs Brown reluctantly understands that the government cannot always become politically entangled but feels that they could be more involved on a personal level.

"I was given no advice or support when my son was charged," she says. "I had no reply to my first letter. [The Foreign Office say their response was lost in the post.] I have been in touch with other families of British prisoners abroad and they all say the same thing. You are on your own, that is what is so wrong."

On their own initiative she and her husband and her partner embarked on an appeal for clemency to the governor of Goa: they got 25 local signatories. On January 24 she wrote to Mr Hurd as her constituency MP and received a reply saying he would write in support but says she has heard nothing since. The Foreign Office say that Mr Hurd sent a letter of endorsement on March 12.

Every couple of days Mrs Brown and her son exchange letters but he does not want her to go out to see him unless there is something she can do. Consuls from the British High Commission do see him every three months but Mrs Brown says "they are always changing, they know little about his case and they don't seem to want to know any more". The Foreign Office believes consuls are making every effort and the service is improving. They add that they receive "endless" letters from Britons whom they have helped abroad.

Mrs Brown says she does not mind if she is being used as a publicity vehicle by Fair Trials Abroad to aid their campaign. The organisation put up her deposit and Mr Jakobi is her campaign adviser. On Saturday Mrs Brown will hold a meeting in her home for those who have expressed an interest and there will be an election leaflet but no canvassing as they do not have enough staff.

"I know I may only get two votes but that doesn't matter," Mrs Brown says. "I want to put pressure on all the parties to listen to what we are

saying, get the Foreign Office to alter their attitude and to put human rights and British people at the top of the agenda."

Her friends are surprised but impressed by Mrs Brown's stance. The attitude of the West Oxfordshire Conservative Association remains to be seen. They refuse to comment on the case but have not taken away Mrs Brown's membership.

"Many didn't know about my son before this because I used to find it difficult talking about him without breaking down," she says. "But I hope they will understand. Most are caring people first and ardent Conservatives second."



Ideal candidate: Marilyn Brown, a Tory, is furious at what she sees as Foreign Office indifference to the plight of British prisoners abroad

Mounting a giveaway

Where do you one-stop shop for garden forks, golf balls, cycling waterbottles, floppy discs, CDs, dolls and classic novels? Harrods, perhaps? Your local newsagent is nearer and the loot is cheaper — if not free.

As the big spring magazine promotions get under way, the news-stands are groaning with giveaways, called covermounts in the trade. But a lot has changed since the famous one-sock covermount. (Think about it: the great unsold had to buy two copies.)

Strong men fainting in the print halls as the fumes of broken shampoo covermounts wafted over them, when "princely" Watford hung under an egg and lemon haze, are just unpleasant memories.

Covermounts today are seriously BIG. The waterbottle on the cover of last month's launch issue of *Cycling Plus* would cost £2.35 in the shops. So big was it that only one copy could be stacked on the shelf, the rest were left to be tripped over on the floor.

Kevin Cox, of Future Publishing, explains that it did the business for the title: "We reached our 40,000-plus target with this issue, which means that with our other title *Mountain Biking UK* we have two market leaders."

But the news-agents are not smiling quite so broadly. While of course welcoming anything that sells more copies, John Chapman, news buyer of WH Smith, feels such a large gift probably oversteps what is acceptable, and questions the level of circulation retention after big gifts. "Are we selling water bottles or magazines?" he wonders. He recently had to reject a magazine wrapped around a can of dog food.

Covermounts are not sure-fire circulation builders. Says Peter Jackson, of Grayling Publishing, the guru on giveaways: "A gift — however good — on a poor magazine will be a massive waste of time and money. But if the gift is relevant and the magazine good, a covermount can put up to 25 per cent on to the circulation."

If the brand is strong enough though, is a covermount really necessary? Women's magazines that five years ago would have felt naked without a widge in the corner, are changing their tactics. "If you have a strong brand, putting the money you used to spend on widge back into the title has to make better sense in the long run," Mr Chapman says. He admits, though, that a good lipstick can still put on 15 per cent in one hit. I seem to remember the covermounted condom and di-

abetes urine tester gave pretty good uplifts, too.

These days covermounts are more than clever sampling aids. Some titles are launched with the covermount as an integral part of the package.

No one launching a computer magazine would dream of not covermounting a floppy disc or computer game. The same goes for music. *Classic CD* has spawned a range of publishing imitations with either cassettes or CD compilations on the cover. Mr Cox again: "The record companies pay for the music. They want to introduce prospective buyers to Janáček, or a new recording of *The Cunning Little Vixen*."

Classic CD is priced to include the costs of cover mounting, and since the newsagent gets a percentage of the cover price, there are no complaints if the price is higher (at £3.25) than you would expect to pay for a conventional magazine.

Also not complaining are the golf addicts. Phil Scarlett, of John Menzies Retail, sees a summer of golf covermounts. At £1.50, it is cheaper to buy several copies of *Golf Monthly* than it is to buy the balls.

"The only problem is," says Mr Scarlett, "with 800-1,000 magazines competing for space in our newsagents, cover-mounted golf balls take up more than their share of shelf space."

In some areas the covermount is turning into the host vehicle. In your newsagent this week you will see an A3, elegantly bound hardback of one of Charlotte Brontë's classics — surely worth upwards of £12 in a bookshop. In the polythene envelope with the book, is a magazine giving an excellent background to the novel. This Marshall Cavendish collection is all yours for £4.50 every fortnight for two years.

This is really a book with a covermount magazine. Mr Chapman says. The same goes for Fabbri Publishing's *Vicky*, a girls' "product" that gave away a full-size doll and one set of clothes with its first issue, the idea being that your seven-year-old goes on collecting the further packages of clothes on every issue. Launch issue hit an astonishing 300,000, but the retention level remains to be seen.

Some pundits see the relentless march of the covermount as unstoppable, others as part of a cycle. Whatever the long-term prospects, I doubt any will beat the famous *National Lampoon* cover that pictured a winsome puppy facing a revolver. "Buy this magazine or we shoot the dog" ran the coverline. They sold a lot of copies.

COVER STORY

Jane Reed



The fat lady opens her lungs

Andrew Lycett on the brave battle by the team that bought out the *Birmingham Post*

The kitsch statuette in Chris Oakley's office attests to his difficulties in pulling off Britain's biggest ever newspaper management buyout, the £125 million acquisition of the *Birmingham Post* and *Mail* group (BP&M) last November. Depicting a portly black diva, the bust carries the inscription: "The Fat Lady Finally Sang on 14 November 1991".

Through seven months of "hell", Mr Oakley, the *Post*'s managing director and editor-in-chief, and five colleagues struggled to keep their bid together as the incumbent publisher, the American Ralph Ingersoll, sought a German partner, then a rival management buyout offer emerged, and finally, established newspaper chains such as EMAP tried to nibble away at choice bits of the BP&M.

At one stage the group's flagship paper, the *Birmingham Post*, even announced the opposing buyout had succeeded. Mr Oakley's accountants reassured him that it was not over until the fat lady sang. One of his team, Terry Page, the *Post*'s editor and now editorial director of the renamed Midlands Independent Newspapers (MIN), says: "She may not have sung, but she was putting on her make-up in the other team's dressing room."

For weeks after the deal, Mr Oakley kept silent as he addressed his new responsibilities as MIN's chief executive. An early decision — difficult in the current property market — was to dispose of the group's plush London building, off the Strand. Bits and pieces from the sale, including a portrait of Charles II, are strewn outside Mr Oakley's new office, which he moved into last week.

Now at last MIN is moving forward. Today sees the launch of its first new title, *Midlands TV Week*, a stand-alone regional television listings magazine, which is expected to sell 30,000 copies at 10p. Later this week Mr Oakley hopes to announce the purchase of two more newspapers in the Midlands. These will sit alongside MIN's four main titles, the *Birmingham Post*, the *Evening Mail*, the *Sunday Mercury* and the *Coventry Evening Telegraph*. It also owns seven free newspapers, a London-based advertising sales agency, and a Birmingham headquarters valued at £30 million.

The *Post* was the centre of a successful provincial newspaper business, the first to record a profit above £1 million in the 1960s. It subsequently lost its way, but at £80 million, was attractive to Mr Ingersoll, and he acquired the group from the life family's Yattendon Trust in 1987. Mr Ingersoll, who owned regional papers in the United States, invested a further £20 million in four Goss Vira colour presses (three for



Chris Oakley: "After all the ups and downs, we're trying to project a steady course. I'm a great believer in doing what you do well"

Birmingham, one for Coventry) which can turn out 60,000 newspapers an hour, plus £5 million to cut the workforce by a third to 1,300 today.

His first initiative was to try to purchase the Birmingham free newspaper, the *Daily News*, founded in 1984. In 1988 he offered £17 million for it but the deal fell through, so Mr Ingersoll invested £7 million in building up the Focus group, his own stable of 39 free titles. The effect was to drag all free titles in the city down. Now the *Daily (Metro) News* is weekly, and the Focus group has just four titles.

Meanwhile, the four paid-for dailies battled on. The soft-spoken, bearded Mr Oakley, who made his name as the *Liverpool Echo*'s campaigning editor, was brought in as editor-in-chief and deputy managing director in 1989. He became managing director in April 1990. Under his aegis, the

Evening Mail has stabilised sales around 220,000, after a decade of losses. The *Sunday Mercury* consolidated its position as the best-selling Sunday paper outside London. The *Coventry Evening Telegraph* claims the highest household penetration of any evening newspaper in the country (70 per cent).

Mr Page, formerly editor of the *Evening Argus* in Brighton, says the *Post* could do with more sections. He envisages a new sports supplement and adds, "We're looking heavily at Saturdays. We already do a weekend section, but need it bigger and better."

The other three paid-for papers look after themselves. The new management has introduced a few innovations, such as daily supplements for the *Evening Mail*. The jury is still out on its attempt to expand the *Coventry Evening Telegraph* into neighbouring

Nuneaton. This initiative may be scuppered by the launch of the new *Evening News* in Nuneaton this week.

And Mr Oakley does not even mention the biggest danger on his horizon: the move by Birmingham's Labour-controlled council to publish its own fortnightly paper, taking £650,000 of recruitment advertising.

Despite this hostile act, MIN is one of six firms pitching to print the new title *Birmingham City Council* will make up its mind on Friday for a May 12 start-up.

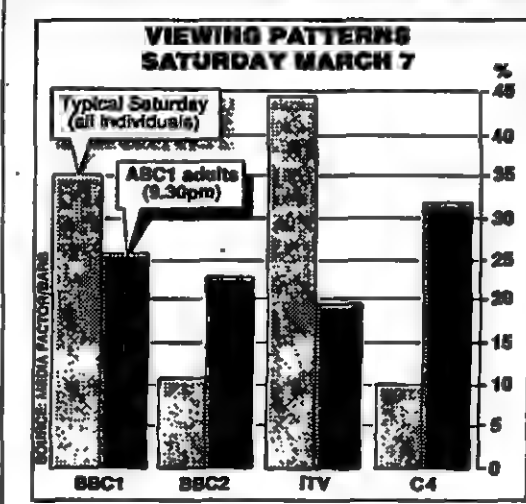
This underlines a current weakness (but potential strength): MIN's spare capacity. Currently it does some contract printing, mainly for Thomson, but Mr Oakley wants his presses working 24 hours a day.

Additional outlays since the buyout include £250,000 for a new colour printing process. Mr Oakley says, "It is common after buyouts to be short of cash. The way we've structured this deal is that we have surplus funds and can make acquisitions."

Nevertheless, with £65 million of debt, the new team cannot afford mistakes. This explains Mr Oakley's emphasis on the continuity of management, which includes John Whitehouse, the former Warwickshire cricketer who is MIN's financial director.

"After all the ups and downs of the last few years, we're trying to project a steady course," Mr Oakley says. If everything goes right, he foresees a flotation of MIN, chaired by Sir Norman Fowler, towards the end of 1994. There will be further acquisitions, but Mr Oakley abjures diversification into other media fields. "The strength of this management is that it is highly skilled in newspapers," he says. "I'm a great believer in doing what you do well."

VIEWERS' FLIGHT TO TV HEAVEN



ON LAST week's Media page Allan McKeown criticised broadcasters' reluctance to allow repeats of successful TV series, calling their attitude "as outdated as stopping films from being shown on video and as ridiculous as Ford insisting that nobody can buy a second-hand car". Channel 4's Saturday-night series *TV Heaven* has shown the popularity of re-runs of old favourites such as *Upstairs Downstairs* and *Edward and Mrs Simpson*. The chart (left) indicates that it is the more upmarket viewers who are attracted to these classics: on March 7 more ABC1 adults watched a showing of *Upstairs Downstairs* than the expensive original offerings on BBC1 (*Moon & Son*) and ITV (*The Other Side of Paradise*), or the Jack Nicholson film *Prizzi's Honor* on BBC2. That night Channel 4 also showed an episode from *Six Nights With Barker* starring Ronnie Barker, and the pilot for *The Persuaders* series with Roger Moore and Tony Curtis. Channel 4's screening of such ancient favourites has more than doubled its normal audience.

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CREATIVE MEDIA AND MARKETING CONTINUES ON PAGE 12

مكتبة الصلح

Who controls television? Broadcasters deny they are swayed by skilled propagandists dreaming up sound bites and photo-ops but the accusations persist

Not guilty of duping the voters

Tony Hall defends the BBC against the charge that it has misled the electorate

Last summer, I stood trial. Together with a colleague from ITN I was in the dock at the Edinburgh TV Festival. The charge: that during the 1987 election, the BBC colluded with the political parties to mislead the British public. The evidence: we ran photo-opportunities on our news programmes. The case for the defence?

There's no doubt that some photo-opportunities stick in the mind. Mrs Thatcher cuddling a calf is a case in point. The dozen pirouetting mechanical diggers paying obeisance to her whilst the band played *Flight of the Bumble Bee* is another. Likewise, the image of her wandering off alone into a forlorn industrial wasteland in the North-East, or Neil Kinnock stumbling on a beach during a photocall at conference time. Then there are the ones you can't quite remember, but which generally involve people wearing hard hats and looking tough, or wearing floppy hats and staring into voids of dough.

Part of our job is to describe the campaign as it is being fought by the political parties. But once recorded, the pictures form just another part of the vast pool of daily news material that we sift, edit, script or throw away according to normal editorial judgements.

Those decisions aren't easy. They depend on the particular circumstance, and should always be made with a degree of healthy scepticism. In the end, any assertion that photo-ops win votes is an untested one, and an increasingly sophisticated electorate probably sees them for what they are.

A similar debate surrounds the use of "sound bites" which, for the uninitiated are those short extracts from political speeches that are a mainstay of political reporting. Should we be using them and, if we do so, are we being manipulated by the party propaganda machines?

A recent study in the United States throws an uncomfortable light on the subject. Its authors say that in a typical news report in 1988, a candidate spoke on average for 43 seconds without interruption. By 1989, the average was only nine seconds. The *Herald Tribune* concluded: "If that decline continued at a linear rate, the average sound bite in 1992 would be two seconds long, perhaps something along the lines of 'me president, you voter'."

The supposed rationale behind this is that the public's attention span is shrinking, so the shorter the quotation the better. This trend across the Atlantic must be resisted here. The audience of potential voters deserves a better

basis upon which to make its decision. That's why our correspondents and editors don't simply take the sound bite proffered by the parties. They scan speeches, press conferences and interviews for the extract which is most appropriate for the telling of the story. The decision lies with them and their good judgement.

One question above all sorts out the veteran campaign theologians from the novices at election time: who sets the agenda, the parties or the journalists?

In the end I don't believe anyone does. Throughout the campaign, each party tries to determine the course the day will take. Each party has the same mission: to highlight its strengths, expose its opponents' weaknesses, and divert attention when the going gets rough. Each morning news conference takes its theme accordingly and, for the most part, those themes will differ from party to party. Then the parties use their planned, or hastily re-arranged, events of the day to try to reassert their "control of the agenda". The evening speeches aim to dominate the main broadcast news, and the morning newspapers.

That is the theory, but in practice, the best-laid plans go awry. For a start, the parties have to respond to each other, and to the questions of journalists either sceptical or interested in matters in addition to the declared "theme of the day". They also have to respond to events beyond their control in the world outside. It all adds up to an agenda that is tugged at and tossed around hour by hour. No one controls this agenda, although many seek to.

Our job, in the BBC, is to ensure that no one party controls the agenda; that all are given due weight; and that different shades of opinion are treated fairly. We aim to ensure that over the course of the campaign we look in detail at the major policy choices facing the electorate. That means testing rigorously the issues, policies and sometimes the people that the parties would prefer us to avoid, as well as those they want us to examine.

This, of course, can lead to arguments, sometimes quite heated. One of the most predictable causes of such friction often centres on the casting of live studio debates. The skills required of producers attempting to set up a three or four-way discussion at election time can be similar to those of a James Baker trying to stage the Middle East peace talks.

First you decide the cast you want. Then the diplomacy begins: who should be contacted first?



Tony Hall: 'The BBC's job is to ensure that no party controls the agenda and that different shades of opinion are treated fairly'

What happens if someone says no? The invitation is, of course, ours, and, as the small print says on a car-park ticket, is not transferable without our agreement.

For the most part, this process is concluded successfully. But just occasionally, maybe at sensitive times during a campaign, or on especially sensitive subjects, a party will try to prevent a discussion taking place at all. It is in those circumstances that we, the broadcasters, reserve the right to use the "empty chair", if we think a party's refusal to take part is genuinely designed to stifle legitimate debate.

There's been a lot of public comment about another area of conflict: the pressure applied to programme producers by the party machines. Sometimes these telephone callers seek to influence the agenda, sometimes the position of a story in the running order, sometimes to make a complaint of unfair or inaccurate treatment. A number of well-

intentioned people have suggested we should refuse to put these calls through to busy newsrooms or programmes, and handle them centrally instead.

It is proper that journalists listen to a legitimate range of opinions and views from as broad a cross-section as possible. They should not be cut off from a world they are seeking to report with fairness and accuracy. On the other hand, pressure at the wrong time, or in the wrong manner, may, hard up against a deadline, prevent producers fulfilling their proper duty to get a programme on the air.

That is why we are monitoring all political calls, and advising all our editors and producers to refer them to their managers when and if they feel it necessary.

I have seen it argued that broadcasters hang up their editorial spurs at election time. Almost our only journalistic judgment, it is maintained, is to make sure each party gets an equal share of airtime which, in unexplained

craven manner, we extend for the benefit of the politicians and to the detriment of our viewers and listeners. I find this a meretricious proposition. No one pretends that party advantage can be gauged solely in minutes and seconds; a debate on television, however long or short, can do electoral damage as surely as triumph brings approbation. But the stopwatch does provide one of a number of tests by which we can judge whether we are treating the parties fairly.

There is no suspension of normal journalistic judgment involved in this. We maintain our editorial values and aims: to report the campaign fully and to ensure that all the issues are brought clearly and fairly before the voters. As at all other times, we must explore with rigour the policies that will determine the nation's future.

There is one constant fundamental value that must imbue our journalism: independence of

thought and judgment. Our job is to get the truth across to our viewers and listeners.

In normal times that can be a challenging task, but it is even more difficult during a campaign. Every political party will seek to interpret proper independence, editorial decision-making for their own ends. It sometimes appears as if they believe they will benefit if the broadcast media are enveloped in a fog of claim and counterclaim about bias and pressure.

That makes the clarity of our purpose even more necessary; to be, in the midst of the campaign, the still voice of calm and reason, independent of all for the good of all.

A footnote on the trial: I am happy to report that the jury, some two hundred strong, rejected by an overwhelming majority the charge that we had misled the British public.

● The author is the BBC's director of news and current affairs.

Asking for an answer

BBC Television Centre, Wood Lane, at 9.30 on the evening of the first crucial Monday in the election campaign, following the afternoon announcement by the Shadow Chancellor, John Smith, of Labour's alternative budget proposals. Norman Lamont debates live on the BBC current affairs flagship, *Panorama*, with the Labour Shadow and the Liberal Democrat's Treasury spokesman, Alan Beith.

The media day has started reasonably enough for Labour, with both *BBC Breakfast News* and *TV-am's Good Morning Britain* previewing Mr Smith's proposals. At 7.20am on BBC, David Mellor appears in a filmed clip to say the Labour proposals "are an awful muddle", even though they will not be announced for a further eight hours. At 8.20 Mr Mellor appears live on *Breakfast News* to claim he "wouldn't want to comment on the Shadow Budget".

The exchanges between the Labour Industry Secretary, Gordon Brown, and Mr Mellor feature much "bridging" — the preparing of responses rather than answers to the question asked by the interviewer. — In this case Nicholas Witchell.

To his credit Mr Witchell tells Mr Mellor that he has not answered the question when the first "bridge" takes place, but the interview then disintegrates with both sides making points rather than taking part in an interview. Mr Witchell ends by telling Mr Brown that he has not answered a question about Neil Kinnock's alleged "gaffe" on *Front on Sunday*, when he spoke fondly of Michael Foot's 1983 version of the Labour party. Was this messy exchange a forerunner of future television political interviews during this election?

Honesty was seen in Jonathan Dimbleby's interview with Chancellor Lamont on Sunday's *On the Record*. Mr Lamont staged the interview at the Exchequer, immediately conferring incumbent status. He made sure that the glass by his side was full of water but, unlike some politicians, in particular Mrs Thatcher, he did not do away with the table that separated the combatants. His performance was hesitant, but rarely "bridged" until Mr Dimbleby pressed on the question of a guarantee to bring tax down to 20 per cent.

Mr Lamont had stored up three sound bites, twice talking of the "pent-up spending power" in the country, and the "lag" effect of his policies before clear change results in the economy. He called Mr Dimbleby "a real press-a-button merchant" when the interviewer pushed on the speed of the recovery, and three times interrupted an interruption demanding more time. This trick invariably puts an interviewer in a weaker position. The overall result, was that although the interview was not fluent, neither linguistically graceful, or nice, it gave an indication of a politician attempting to tell the truth.

As the tax debate continued during Monday, the seemingly omnipresent Mr Mellor got an easy ride on *Talking Point*, an ITV phone-in question programme. The communications consultant and Paddy Ashdown speech writer, Max Atkinson, recently claimed that such programmes can probe deeper "with the interviewer clarifying the questions from the public, insulated from accusations of political bias". This one was a failure, with smiles all round at the end, and the grinning Mr Mellor musing on which politician would be asked the most questions in the programme's ten minute format.

By the early evening news, John Smith's figures had been number-crunched and Norman Lamont had appeared at a stage-managed press conference to denounce the proposals. Although Channel 4 included criticism in its *Shadow Budget* package, it gave Mr Smith a cosy interview. The next interview might be anything but.

The great success of Labour's day to date was to have relegated the launch of the Liberal Democrats' tax-raising manifesto to 20 minutes into the main six o'clock BBC news bulletin.

At 9.45pm, Mr Lamont, Mr Smith and Mr Beith are nervous. Mr Smith reveals his media streetwiseness when asked to do a sound check by David Dimbleby. The interviewer asks what Mr Smith would do if he were Mr Lamont. Mr Smith doesn't give a proper reply, then adds: "Said a cautious Mr Smith, in case this is being filmed."

Mr Lamont is testier still, when asked if he buys his shirts from Harvey Procter, the former MP. The debate is low key, civilised, well handled, but hardly the historic event we were expecting. Mr Smith had said before going live that the atmosphere was "ritual", but really it was slightly dull. Perhaps it was the seating, unlike *Newsnight's* close-knit benches, here the three would-be chancellors were spread out with desks of their own, statesmanlike, and verbal violence never threatened.

ROBIN HUNT

And now, a word from our manipulator

Rob Shepherd looks at the pressures on television news

The time has come to issue an election health warning to all television viewers. Watching television news coverage of the campaign can seriously damage your ability to exercise your democratic rights.

Is this too alarmist? After all, most voters rely on television news for information during elections, and compared with the facile fare dished out by most of the Press, television news appears as a shining beacon of impartiality and trustworthiness. But, as tonight's *Dispatches* on Channel 4 Four highlights, the fact that television news is so trusted makes any manipulation of its coverage by politicians all the more sinister.

The perpetual brow-beating of broadcasters by the parties is bad enough. Even if programme editors reject specific complaints, they know, and their reporters know, that their every move is being watched by the party monitors. Under the frenetic pressures of an election, the temptation is always there for television news editors to avoid a row, to tone down their coverage, to ensure that their running order of stories gives the party that missed out last time the lead story next time.

Cases of politicians leaning on the BBC or on ITN are well documented. But the most effective manipulation of television news by party manipulators is more insidious. It is a process that has gathered pace since the mid-1970s, when the inexperienced Margaret Thatcher first began casting round the world for the secret to winning elections.

Mrs Thatcher lighted on Australia, where Malcolm Fraser had



Calf love: Mrs Thatcher was a master of the positive image

just defeated Labour's Gough Whitlam. The lesson she learned was simple: provide the television cameras with the right pictures, and voters will believe in you.

This simple strategy was developed into a fine art by Sir Gordon Reece, Mrs Thatcher's media adviser, who appreciated both the thirst of television news editors for pictures and the credibility that television news bestows upon the images on the screen.

Mrs Thatcher cuddling a calf in a Suffolk field in 1979 marked a turning point in British election campaigning. When Mrs Thatcher again paraded before

the cameras at a chocolate factory, the print journalists realised they had a new role — consumed extras in the television soap *Mrs Thatcher Goes to Downing Street*.

These prototype TV photo-opportunities were cunningly pitched at the early-evening news bulletins, favoured by their target voters, the so-called C2s, skilled workers and their wives.

Following them from their morning press conference, on their countrywide tours, to the evening set-piece speech.

The extra coverage given to the party leaders was ideal for the Tories and disastrous for Labour. Mrs Thatcher's campaign became little more than a procession in front of the camera, one moment posing in a factory or school, the next proceeding on her way to the accompaniment of adulatory, flag-waving crowds of supporters.

Michael Foot was too guileless for this brave new world. The convention that television news gives the parties equal coverage exposed Labour's campaign. While Mrs Thatcher was shown touring triumphantly, one of the last great speech-makers was left looking like a character who had escaped from the archives.

Labour's PR transformation and its superior use of television during the 1987 campaign are now part of political folklore. With the bulk of the Press lauding Mrs Thatcher and denigrating Mr Kinnock, Labour strategists focused their efforts on television news. Labour won the battle for second place. The Alliance was sunk because the two Davids had no strategy. On the news they were Tweedledum and Tweedledee personified.

In 1992, all parties are steeped in the art of television manipulation. The agenda will be controlled by the party managers, not by the electorate, the party leaders will parade endlessly before the cameras, looking "nice" but remaining safely mute, and the proper journalistic functions of assessing the facts and the issues, as opposed to reciting what the parties say, will again be marginalised.

There is little ground for optimism. Despite the ritualistic fine words from broadcasters about journalistic values being paramount and the need to stand up to

the politicians, the pressures on television news are pushing in the opposite direction. When deadlines are tight and resources stretched, it is virtually impossible to avoid accepting pictures gift-wrapped by the party machines.

Television journalists have little option but to write their words to the images that appear on the screen. If the pictures show euphoric scenes, it is almost impossible to report gloom in the party at its poor showing in the opinion polls.

The party manipulators are aware that voters are not naive and expect the parties to put across their best possible image. If a party is seen to have organised a good television campaign, it will have shown that it is professional. Effective manipulation of the media thus becomes a measure of their fitness to govern.

Even more disturbing is the readiness of television news editors to collude with the process. Setting the campaign agenda is abdicated to the party managers, who decide months in advance what issues will be raised on which days.

An acceptance that politicians should set the terms of debate during an election would be bad enough in itself, but the process has gone further. In 1987, television news collaborated with Labour to film a boy who had been denied a heart operation, the day before Labour raised the issue at a morning press conference. On the morning, television news had already been primed with telling pictures as evidence of the Government's alleged failure over the NHS.

Labour's "health shock" was highly effective, triggering panic at Conservative Central Office. But what became known as the Tories' "Wobbly Thursday" should be re-named "Black Thurs-

day", because editors and reporters had allowed themselves to become part of the process.

As in 1987, part of the problem is the intensified competition between television channels. Producers and reporters who jib at accepting a party-inspired story will risk their news editors' fury if other channels carry what will make a good headline, however dubious its pedigree or purpose.

The thirst of television news for pictures is more insatiable than ever. There are more bulletins to fill, demanding more pictures so that the reports can be "freshened up" and made to look more "on the spot" than their competitors', or than the previous bulletin on the same channel.

In 1987, reporters on the road found themselves having to meet six or so different deadlines a day. That in itself was an all-demanding job, never mind trying to assess what was really happening. But the reporter's ability to stand back and try to make sense of the campaign for the viewer is in danger of getting lost in the rush to get the pictures on the screen.

Britain is an imperfect democracy. Anybody who thinks otherwise might ponder how the poll tax became law (this was an issue, incidentally, that TV news failed to highlight at the last election). But once every four or five years, power returns to the people.

Television news offers the most powerful medium available to bring the politicians to account. It is time to stop treating the campaign as the property of the parties and letting them dictate the terms of debate. If we are not prepared to put politicians, our representatives, on the spot at elections, we never will. Nor will we deserve to.

● The author produced and directed Channel 4's *Dispatches* election campaign special, to be broadcast at 9pm tonight.

Computers signal an end to open-plan

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ions, it has to earn income at the market rate. "But we do have the interests of the community at heart," he adds. "We are 99.5 per cent wholly commercial, but com-

That would set the seal on the group's ever-increasing contribution to small businesses in the London area.

new developers, he added, were now avoiding such problems.

also shown that productivity on computer-intensive tasks is higher when people are given individual or small-team offices. "As these tasks become more common, there will be moves from open-plan towards smaller offices," Mr Camrass says.

NATIONAL Westminster Bank has unveiled proposals for the refurbishment and restoration of

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Part performance of contract

British Telecommunications plc v Ticehurst and Another
Before Lord Justice Neill, Lord Justice Ralph Gibson and Lord Justice Stocker
[Judgment March 11]

An employer, without bringing a contract of employment to an end, was entitled to accept part performance by an employee who had withdrawn goodwill and who had every intention on his return to work after a strike of continuing that action.

The Court of Appeal so held in a reserved judgment when allowing the appeal of British Telecommunications plc against the decisions by Judge Oddie in the Mayor's and City of London County Court on December 21, 1990 in favour of Mrs Alison Ticehurst and Mr Michael Thompson for sums due to them by BT who had refused to pay them for certain days in April 1990 because they had not proved that they were willing to perform in full their obligations under their contracts of employment.

Mr Jeffrey Burke, QC and Mr Roy Lemon for BT; Mr Patrick Elias QC and Mr David Bean for Mrs Ticehurst and Mr Thompson.

LORD JUSTICE RALPH

GIBSON said that Mrs Ticehurst was employed as a buildings manager and Mr Thompson was employed as a computer support manager at BT's Stone Technical College, Staffordshire.

The case arose out of a pay increase industrial dispute between BT and the Society of Telecom Executives, a trade union which represented about 30,000 of the 40,000 executives of a certain grade employed by BT.

From about June 1989 the union members were taking part in industrial action short of strike action and which consisted of a general withdrawal of goodwill, working strictly to conditioned hours and refusing to undertake new temporary advancement. In October 1989 the union intended the industrial action which then centred on a withdrawal of goodwill.

In February 1990, the union members voted in favour of taking strike action and a half-day strike was called for April 6, 1990 and thereafter there would be a rolling campaign of strategic strikes which would start at Stone with a two-day strike.

BT concluded that any employee who took part in further industrial action was not willing to honour the terms of his or her

contract of employment. On April 12, 1990 Mrs Ticehurst and Mr Thompson were told that as they had taken part in the two-day withdrawal of goodwill constituted a breach of that implied term where those employees intended to continue to participate in it.

The implied term was breached when the employee did an act, or omitted to do an act, which it would be within his or her contract, and the discretion allowed him or her not to do, or to do, as the case might be, and the employee so acted or omitted to do that act, not in an honest exercise of choice or discretion for the faithful performance of his or her work but in order to disrupt the employer's business or to cause the most inconvenience that could be caused.

As the employees on their return to work were evincing an intention to continue to participate in the action of withdrawal of goodwill, BT were entitled, and without terminating the contracts of employment, to refuse to let them remain at work and to accept part performance only by them of their contracts of employment.

Lord Justice Neill and Lord Justice Stocker agreed.

Solicitors: Mr Colin R. Green; Lawford & Co. Richmond upon Thames.

faithfully in the interests of the employees.

Participation by the employees in the concerted action of withdrawal of goodwill constituted a breach of that implied term where those employees intended to continue to participate in it.

The implied term was breached when the employee did an act, or omitted to do an act, which it would be within his or her contract, and the discretion allowed him or her not to do, or to do, as the case might be, and the employee so acted or omitted to do that act, not in an honest exercise of choice or discretion for the faithful performance of his or her work but in order to disrupt the employer's business or to cause the most inconvenience that could be caused.

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Lord Justice Neill and Lord Justice Stocker agreed.

Solicitors: Mr Colin R. Green; Lawford & Co. Richmond upon Thames.

County free to axe buses

Regina v Hertfordshire County Council, Ex parte Three Rivers District Council
Before Mr Justice Roch
[Judgment March 9]

The appropriate level of provision of public transport under section 65 of the Transport Act 1985 was a matter for the county council concerned once it had identified the public transport requirements in its area. The council was entitled to take into consideration the funds it had available and, where part was contributed by district councils, the source of the funds.

Mr Justice Roch so held in the Queen's Bench Division dismissing an application by Three Rivers District Council for judicial review of decisions by Hertfordshire County Council withdrawing certain bus services in its area.

Mr Stephen Hickman, QC and Mr Peter Gower for the applicant; Mr Duncan Ouseley for the respondent.

MR JUSTICE ROCH said Three Rivers Council had decided to stop contributing to the subsidy on bus services in its area for the year 1990/91. The subsidy had been paid to Hertfordshire County Council which provided the bulk of the money for the services.

The county council had then decided to withdraw financial support from certain services in the Three Rivers district.

The applicant had contended that the aim of the 1985 Act was to ensure that each identified public transport requirements were met by commercial services were not met by councils. It said the county council was under a duty to meet the services which would not otherwise be met and had no discretion as to whether or not to meet such requirements once identified.

His Lordship said the county council had a duty to identify public transport requirements and to secure the provision of such services as it considered appropriate to meet the requirements it had identified. What was appropriate was for the county council to decide.

On the evidence, there was no evidence that the county council's decision had been irrational, perverse or absurd.

Solicitors: Solicitor, Customs and Excise; Jolliffe & Co, Chester.

Poll tax defaulter is entitled to hearing

Regina v Faversham and Stirlingbourne Justices, Ex parte Ursell
Before Mr Justice Schiemann
[Judgment March 13]

Justices who had fixed a term of imprisonment for wilful refusal to pay the community charge but postponed the issue of the warrant on condition of future payment in instalments, under regulation 41(3)(b) of the Community Charges (Administration and Enforcement) Regulations 1989 (SI No 438), should hold a further hearing, of which the debtor had notice of the date and time and an opportunity to attend, before issuing a warrant of commitment to prison following breach of the condition.

Mr Justice Schiemann so held in the Queen's Bench Division in granting an application for judicial review to quash a decision of Faversham and Stirlingbourne Justices to issue a warrant committing the applicant, Anne Ursell, to prison for 30 days.

Mr Benedict Emmerson for the applicant; the justices did not appear and were not represented.

MR JUSTICE SCHIEMANN said that the reasoning in *R v Poole Justices, Ex parte Fleet* (1983) 1 WLR 974 which concerned proceedings for collecting civil debts, seemed to apply to the instant case.

The justices appeared to have accepted that a second hearing

was necessary before the warrant of commitment was issued. They were right to do so.

They did not, apparently, consider that it was necessary for the debtor to have notice of the date and time of such a hearing. They clearly thought that she would have nothing new to say.

They might well be right but she was entitled to be told of the date and time of the hearing as a matter of natural justice. The hearing affected her. It was held in public. She should have the right to be there.

However, his Lordship did not accept that the hearing could not proceed if she chose not to attend. The question arose on what matter was a debtor entitled to address a court at such a hearing? Clearly she was entitled to put the authority to proof of non-payment. Further, she was entitled to draw the court's attention to any change in circumstances since the decision to fix a term of imprisonment which rendered it ineffectual for the warrant of commitment to issue.

There had to be an inherent power in the court to vary its own order in a case where, since the decision was made, the debtor had become incapable of earning, for instance by reason of an accident.

In coming to that conclusion his Lordship was conscious of the fact that under regulation 42(3) provision was made for a local authority to come back to the

court where the circumstances of the debtor had changed but no provision was made under that sub-regulation for the situation where the circumstances of the debtor had changed since a term of imprisonment was fixed.

Nonetheless the court could make good the deficiency of the regulations in that regard. It was difficult to believe that the law should treat a criminal who had been fined with greater consideration than a person who had failed to pay her community charge.

In criminal proceedings the court could always change its mind and, if it had remitted the sum owed, then no imprisonment needed to be served. That facility was not available under the community charge legislation and the law would be very unsatisfactory if the court, having once fixed a term of imprisonment and postponed the issue of the warrant was thereafter forced on every occasion to issue the warrant if the money had not been paid.

One needed only to consider an accident of the type mentioned. The court had to have a discretion to issue no warrant and was bound to allow the debtor an opportunity to address it prior to the exercise of its discretion as to whether or not the warrant should be issued.

Solicitors: Jane Coker & Co, Tottenham.

Limit to extrinsic evidence in VAT

Commissioners of Customs and Excise v Battersea Leisure Ltd
Before Mr Justice Kennedy
[Judgment February 20]

A payment by a vendor of land to the purchaser as an allowance for sums expended by the purchaser to make the site safe for further development did constitute "consideration" for the purposes of the Value Added Tax Act 1983.

The extent to which extrinsic evidence might be admitted for determining whether contracts gave rise to a liability for VAT remained strictly circumscribed and such evidence might not be introduced for the purpose of changing the legal character of a transaction.

Mr Justice Kennedy so held when giving judgment in favour of the Commissioners of Customs and Excise in an appeal under the Tribunals and Enquiries Act 1971 against the decision of a VAT tribunal of January 23, 1990 allowing an appeal by Battersea Leisure Ltd against an assessment raised by the commissioners on July 18, 1988.

In 1984, the Central Electricity Generating Board held a com-

petition for proposals for the future of its redundant power station, listed building, at Battersea. By the terms of the competition the CEBG was to contribute about £1 million towards the cost of removing asbestos from the site.

Battersea Leisure were the successful party but, as the result of the agreement provided by clause 22 for CEBG to allow a further sum in return for Battersea Leisure undertaking responsibility for the removal of asbestos.

The total remittance of the CEBG was £2,248,893 and on July 18, 1988 the Customs and Excise made a VAT assessment of £293,833.35, that being the tax element on the basis that the payment to Battersea Leisure was for a consideration under the provisions of section 3(2)(b) of the 1983 Act.

Battersea Leisure successfully appealed to a VAT tribunal which admitted extrinsic evidence including the purpose and motives of the parties, in that the removal was for the public good, in their negotiations leading up to the contract.

Mr Nigel Fleming for the commissioners; Mr John Tallon for the company.

MR JUSTICE KENNEDY said the supply of services was taxable under section 1 of the 1983 Act. Section 2, in turn, made a supply of goods but is not chargeable on any supply made by a taxable person in the course of any business. Was this an exempt supply?

Section 3(2)(b) provided, *inter alia*, that "anything which is not a supply of goods but is done for a consideration is a supply of services". Did Battersea do something for a consideration?

The word "consideration" had no statutory definition in the 1983 Act but had a special meaning in the English law of contract and was used in EC directives which were binding on member states.

Article 2 of the Sixth Directive provided that the supply of services effected for a consideration by a taxable person would be subject to VAT.

In his Lordship's judgment this was not a case for the admission of extrinsic evidence. The nature of the transaction was apparent on the face of the contract.

The extrinsic evidence that the tribunal had regard to only revealed something about the negotiations leading to the contract and had indeed tended to mislead. The issue was whether there

was something being done or to be done by Battersea Leisure in return for the payment being made by the CEBG.

If extrinsic evidence was excluded there plainly was a supply of services directly linked to the clause 22 payments made by the CEBG.

It had to be admitted that Battersea Leisure did not themselves undertake to remove asbestos and the CEBG had no interest in the removal of the asbestos. It was Mr Fleming's submission, even if one took the extrinsic evidence into account, it was impossible to conclude that there was no service rendered in return for the payment made.

The tribunal was in error (i) in admitting extrinsic evidence; (ii) in having regard to what it conceived to be the motives of the parties in relation to the removal of the asbestos and (iii) in concluding that the payments, which by virtue of clause 22(a) of the agreement the board was obliged to make, were to be made otherwise than for the supply of services within the meaning of section 3(2)(b) of the 1983 Act.

Solicitors: Solicitor, Customs and Excise; Jolliffe & Co, Chester.

Rectification power limited

Norwich and Peterborough Building Society v Stead
Before Lord Justice Purchas, Lord Justice Butler-Sloss and Lord Justice Scott
[Judgment March 5]

On a true construction of section 82 of the Land Registration Act 1925, a court had no general discretion to order rectification of the register in any case in which it might be thought just to do so.

The Court of Appeal so held in dismissing an appeal by Michael Derek Stead against the refusal by Mr Justice Knox, on December 15, 1989, to order rectification of the register by the deletion of a charge by the plaintiffs on Aylow Road, Wymondham, Norfolk.

Mr Timothy Lloyd, QC and Mr Stephen Acorn for Mr Stead; Mr Jonathan Rayner James, QC and Mr Clive Hugh Jones for the building society.

LORD JUSTICE SCOTT said that the transfer in respect of which the charge arose had been

induced by a fraudulent scheme unknown to Mr Stead, the owner of the property, or the building society. It was voidable but not void. The question was whether the court had power to order rectification under section 82 of the 1925 Act.

There was a sense in which the power to rectify was undoubtedly discretionary. The words in section 82(1) were "may be rectified". It did not follow, however, that there was a general discretion to grant rectification as that was limited to "any of the following cases".

In his Lordship's opinion the scheme was reasonably clear. Paragraphs (a) and (b) of subsection (1) gave power to the court to make orders of rectification in order to give effect to property rights which had been established in an action or were clear.

Paragraph (c) enabled orders to be made by consent. Paragraphs (d) to (g) were intended to deal with errors of a particular character and paragraph (h) was added

as a catch-all provision to cover any other errors.

The breadth of that provision was, his Lordship imagined, the reason why it was thought appropriate to make the power exercisable "where... it may be deemed just to rectify the register". There were no comparable words in any of the other paragraphs.

Paragraph (h) had been relied on by Mr Lloyd. But in order for it to be applicable some "error or omission in the register" or some "entry made under a mistake" had to be shown.

The entry in the register of the building society's legal charge was not an error and was not made under a mistake. The voidable transfer had not been set aside and the case for rectification could not be brought under paragraph (h).

Lord Justice Butler-Sloss and Lord Justice Purchas agreed.

Solicitors: Chambers Rutland & Crawford, Finchley, Church End; Warrens Boyes & Archer, Huntingdon.

Scots Law Report March 18 1992

Breach of interdict

McIntyre v Sheridan
Before Lord Caplan
[Judgment January 28]

Where an individual was interdicted from impeding sheriff officers from carrying out their duties, it was unnecessary that he had personally interfered with them in a physical manner for him to be found in breach of interdict.

Lord Caplan so held in the Outer House of the Court of Session, sentencing Thomas Sheridan to six months imprisonment upon a minute for breach of interdict brought by Robert McIntyre, Sheriff Officer.

Miss Leona Dorrian for the minutes; Mr Derek Batchelor for Mr Sheridan.

LORD CAPLAN said that the minutes, a firm of sheriff officers, had been instructed by a local authority to collect arrears of community charge from a debtor by holding a warrant sale.

The respondent had been interdicted from attending the sale or from impeding or otherwise interfering with the day-to-day business of the minutes and the carrying out of their lawful duties, or from encouraging or instructing others to do so.

On the morning of the sale the sheriff officers had been sitting in their van at the yard where the sale was to take place when 30 or 40 people had come into the yard. They had let down the van, they had begun to shake the van to and fro and someone asked the crowd to stand clear of the side of the van, giving the occupants the impression that the intention was to overturn it.

They were pumped the horn frequently to attract police assistance. Meanwhile the crowd in the yard were increasing and were followed by the police, who had then restored order.

The respondent had entered the yard towards the rear of the crowd. Eventually there had been a crowd of about 200 to 250 people and had told the court that it was obvious from his statements and acts that he had no intention of being bound by the interdict.

Counsel for the respondent argued that the respondent had not been interdicted as chairman of the Scottish Anti-Poll Tax Federation or as part of the crowd. Moreover, he had not attended the sale since it was not due to commence until 11 am.

He had not physically impeded or interfered with the sheriff officers. It was not a breach of interdict to make a speech or participate in a political protest. The crowd had already assembled and would have interrupted the sale whatever the respondent had done.

He had been the only person to do so and had said, *inter alia*: "We would appeal to the police not to protect these people. These people are nothing but scum and they should be allowed the warrant sale to take place."

The respondent had held up a piece of paper and said: "This interdict is to stop me and every single one of you from being here today. As far as I'm concerned this is what they can do with their bloody interdict."

He had then torn the paper he was holding and thrown the bits into the crowd. He had also declared: "As far as we are concerned there will be no sale."

The witnesses had received the impression that the respondent was a person the crowd looked to for leadership. Moreover members of the crowd who had appeared to be active in the demonstration had conferred with him from time to time.

At 10.50 am it had been decided to cancel the sale given the numbers of persons gathered at the yard and the threatening behaviour that some elements had shown themselves to be capable of. There had been no practical possibility that the sale could have taken place.

Thereafter, the respondent had approached the senior police officer present and said that he could arrange to allow the van to leave the yard but the crowd would not leave before the van. After the respondent spoke the crowd cleared a path for the van.

The respondent had accepted that he was the chairman of the Scottish Anti-Poll Tax Federation and that organisation had arranged the assembly of the crowd, although it was said that that had been done before the interdict had been received.

His position was that his attendance and activities were simply a legitimate, political protest. He claimed that he had not called on the crowd to stop the sale. As he put it: "I said nothing as specific as that."

He accepted that people did tend to listen to what he said. He viewed his attendance at the sale as being in a personal capacity. The respondent claimed that he had torn up the interdict to demonstrate his contempt for the manner in which it had been served and had told the court that it was obvious from his statements and acts that he had no intention of being bound by the interdict.

Counsel for the respondent argued that the respondent had not been interdicted as chairman of the Scottish Anti-Poll Tax Federation or as part of the crowd. Moreover, he had not attended the sale since it was not due to commence until 11 am.

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He had then torn the paper he was holding and thrown the bits into the crowd. He had also declared: "As far as we are concerned there will be no sale."

In his Lordship's view, the actions of the respondent amounted to a flagrant and calculated breach of the interdict. The respondent had impeded and interfered with the minutes' representatives as they carried out their lawful duties and had also encouraged others to do so.

It could scarcely be contested that the crowd gathered in the yard had impeded and interfered with the minutes in the conduct of their business. Nor could it be disputed that the crowd had gathered with the object of stopping the sale.

The respondent was quite mistaken if he considered that before it could be said that he had impeded or interfered with the sheriff officers it had to be shown that he had personally interfered with them in a physical manner.

One impeded or interfered with sheriff officers if one did anything calculated and likely to obstruct the conduct of their lawful activities.

The respondent had known that the crowd had contained elements who were unruly and aggressive. Nevertheless he had addressed the crowd in a manner which could only be described as inflammatory both in content and in manner of delivery.

He had contemptuously torn up what appeared to be the interdict which could only be taken as a representation to the crowd that their purposes merited ignoring the rule of law. He obviously had influence over the crowd and chose deliberately to give them a lead.

He was extremely sanguine if he imagined that any act in Scotland would ever tolerate activities which resulted in physical interference with the lawful business of persons specifically appointed to act as officers of the court.

To interfere aggressively with officers of the court going about their lawful business was in itself a crime and that should be carefully considered by him and those who might be tempted to repeat what had happened.

In a democracy there were many forms of political protest which were available but ignoring court orders and obstructing sheriff officers were not among their number.

Law agents: Drummond Miller, WS; David Clark & Co.

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